# Econ DA

# Specific Versions

## Poverty

### General

#### Resource extraction key to local survival and poverty alleviation.

Thondhlana 13 [Thondhlana, Gladman, and Edwin Muchapondwa. Dependence on Environmental Resources and Implications for Household Welfare: Evidence from the Kalahari Drylands, South Africa. No. 370. 2013] AJ

Overall, environmental resources provide more subsistence “in kind” income than cash income to local people. Environmental income reduces income inequalities and poverty (in terms of both poverty incidence and depth) - acting as insurance against falling deeper into poverty especially for many poorer house- holds. Environmental income acts as an important “buffer” against household shocks (reduces society’s vulnerability) especially in and during times of change and crisis. However, the buffering effect of environmental income — particularly of the “in kind” contribution, derived from ecosystem goods and services, is rarely acknowledged. Yet, as our results suggest, the “in kind” contribution of such environmental resources is very high and meaningful — which is consistent with results found by Libanda and Blignaut, (2008) in Namibia’s community based natural resource management areas. The food, income and fuel/energy security provided by environmental resources adds to the value thereof, and reduces people’s vulnerability. From a policy perspective, the findings generally imply that promoting and allowing resource access in the KTP can potentially contribute towards reducing poverty and livelihood insecurity for the local communities. However, resource use rules in the KTP currently do not permit collection of a wide range of re- sources including fuelwood, though our results show that fuelwood is the most important source of environmental income. We believe current resource access arrangements in the KTP need to be revised (e.g. permission of collection of dead fuelwood) to balance intersecting livelihood and conservation needs. Lack of access to income from fuelwood and other resources may force local people to prioritise extraction within their immediate environment for short-term bene- fits over long-term sustainability of the environment. This may result in future pressure on KTP resources, especially given that local communities have own- ership and use rights in part of the park. Nonetheless, resource access should be designed with input from resource users to avoid potential overharvesting of environmental resources due to fears by users that they may not be allowed access again. This is particularly important given the fragility of the semi-arid Kalahari ecosystem (Mogotsi et al., 2011) that our results suggest unsustainable harvesting practices in the communally-owned resettlement farms. Immediate attention should be focussed on the communal land given the ecological linkages between parks and their surroundings.

### Empirics

#### Empirics confirm

López-Feldman 07, Alejandro, Jorge Mora, and J. Edward Taylor. "Does natural resource extraction mitigate poverty and inequality? Evidence from rural Mexico and a Lacandona Rainforest Community." Environment and Development Economics 12.02 (2007): 251-269

Our findings highlight the importance of income from natural resource extraction in alleviating poverty and income inequality in rural Mexico. Results show that the number of poor individuals increases 4.2% and inequality increases 2.4% when natural resource income is not taken into consideration. Inequality in the distribution of natural resource income is relatively high. Nevertheless, an unequally distributed income source may favor the poor. For example, welfare transfers are usually unequally distributed (most households do not receive them), but they are directed disproportionately at poor households. This is the case for natural resource income in all of our samples. A 10% increase in income from natural resources, other things being equal, reduces the Gini coefficient of total income inequality by 0.2% in Mexico. In the South-Southeast region and in Frontera Corozal, a 10% increase in natural resource income reduces the Gini coefficient by 0.36% and 0.11%, respectively.

## Growth Good

### Link

#### Developing countries are highly reliant on resource extraction for economic stability.

Niza et al 07 [Amo Behrens (corresponding author: Sustainable Europe Research Institute), Stefan Giljum (Sustainable Europe Research Institute), Jan Kovanda (Charles University Environment Center, Czech Republic), Samuel Niza (INETI-CENDES, Portugal). “The material basis of the global economy: Worldwide patterns of natural resource extraction and their implications for sustainable resource use policies”. Ecological Economics, 64(2), 444-453. 2007] AJ

Compared to the per capita perspective, a reverse picture is observed. Industrialised economies are characterised by the lowest material intensities (or highest eco-efficiency), with Western Europe being world-leader with around 1 ton per 1000 US $ GDP in the 1980s and improving to 0.6 tons at the beginning of this decade. Although North America has high levels of per capita resource extraction, material intensity is still low and declining. The two major drivers for this trend in industrialised regions are the use of new technologies with improved material and energy performance and structural change of economies towards service sectors characterised by less material input per economic output. Together with a significant improvement of eco-efficiency in Asia (resulting in a downward trend of the material intensity curve), these two regions also determined the development of eco-efficiency on the global level, which increased from 2.1 tons in 1980 to 1.6 tons in 2002. This means that about 25% less material inputs were needed to produce one unit of constant GDP at the end of the time period as compared to the year 1980. Hence, relative de-coupling of economic growth from the extraction of natural resources was achieved on the global level. The above figure also reveals the enormous differences concerning the material intensity when comparing rich industrialised regions (except Oceania with its special characteristics, see above) to developing regions. Although the situation improved significantly in the region of Accession Countries in the past 10 years, particularly in Eastern European countries, the generation of GDP is still linked to a domestic resource extraction almost 4 times higher than world average.

## Colonialism

### 1NC

#### Invoking environmental protection to argue that nation-states should not exploit indigenous resources to benefit their own people is hypocritical, imperialistic, and dooms billions to perpetual poverty.

Soomin and Shirley 09 [Lim Soomin and Dr. Steven Shirley, “Eco-Imperialism: The Global North’s Weapon of Mass Intervention.” Journal of Alternative Perspectives in the Social Sciences (2009).]

We are seeing a new type of imperialism emerge, an imperialism based not on the acquisition of territory, but on a radical environmentalist agenda, an agenda that seeks to reserve the earth and its resources for the wealthy and elite, to freeze energy use at current levels, and to restrict nation-states from exploiting indigenous resources for the benefit of their people. The hypocrisy and ill-informed policy of the new Eco-Imperialists, as they have been rightly called, seems to know no bounds. Just a few years ago it would have been almost inconceivable that in a world where starvation is a reality, the most advanced nation-states would follow the radical environmental idea of using food supplies for fuel oil (Clayton, 2008). Moreover, in a world where malaria still kills millions of men, women, and children, it is absurd that the global North would attempt to restrict and even deny the technology to eradicate disease-baring mosquito populations (Roberts, 1997). It is absurd, ridiculous, but t rue. While the promise of alternative fuels is decades i f not centuries away from reality, the affordability of fossil fuels holds the key to lifting entire populations out of poverty today, and yet the developed world is looking to tax and restrict its use, as well as outlaw new exploration of this most vital form of energy (Carbon, 2009; Evans, 200 7). Again, it is absurd, ridiculous, but true. The developed world has enjoyed the benefits of a century’s worth of energy technology and development; however, they are trying to deny access and equitable usage of vital natural resources to the LDCs. These are not resources owned by or even controlled by the wealth y nations; instead, the global North is pressuring, demanding, and sanctioning LDCs in order to influence the amount and type of development that can take place within their borders. Think about that again. Developed countries are violating the sovereignty of less developed countries, and imposing upon them their values, their ideals, and their belief systems. Developed countries are forcing LDCs to behave in a manner that the developed countries wish them to behave. Does this sound familiar? By any definition these behaviors reek of imperialism, an imperialism meant to foster an environmental agenda completely fabricated by elites in the North. There may not be soldiers marching through the capitals of LDCs, there may not be colonies in name, nor ships of the line sailing from the North to the South as in the 19th century, but in every possible way one state can seek to control the political and social behavior of another state, this is imperialism. Eco-Imperialism is singularly focused on the global North’s environmental agenda, and casts aside respect for sovereignty and fair play. Moreover, it seeks to impose “western” and the developed world’s ideas of what is fair, good, and appropriate in matters of environmental policy. Eco-Imperialists seek to control not merely ideas, culture, or resources but also want to restrict development of LDCs because of their idea of what is correct and just, what is good and what is not, what is environmentally friendly and what will contribute to man-made climate change. The less developed world is given little to no voice in matters of environmental policy, or their leadership is bribed to go along with the desires of the global North, not unlike the political puppetry of the 19th century.

#### Environmentalism’s paternalistic crusade leaves those in the third world no better off, while improving the material well-being of those in developed countries whose primary concern is to absolve themselves of guilt for perceived wrongdoing of their colonial antecedents.

Nelson 03 [Nelson, Robert H., professor at the School of Public Affairs of the University of Maryland, College Park. Environmental Colonialism: “Saving” Africa from Africans. The Independent Review, v. VIII, n.1, Summer 2003, ISSN 1086-1653, ppg 65– 86. Accessed online 12.30.2013 SW http://www.independent.org/pdf/tir/tir\_08\_1\_5\_nelson.pdf]

For the villagers living today in proximity to Arusha National Park, there are clear “parallels between the park management and colonialism.” The people living near the park still experience at present “a humiliation and deprivation that . . . cannot do other than resurrect[s] memories of the worst injustices of the colonial government” (Neumann 1998, 194). For one thing, the park was largely formed from lands that had been taken from local Africans in order to make them available for German and then British settlement. After the colonists left, local Africans had hoped to recover their lands, but that recovery was not to be. Now additional lands are being taken over for the park with no more regard for local feelings than existed during colonial times. “As a local villager whose family farm was partly taken over by the park expressed bitterly, ‘Do you think we have independence uhuru? Isn’t this like colonialism kama ukolini?’” (194). Ordinary Africans’ experience of the management of Arusha National Park, as Neumann explicitly characterizes it, amounts to “the new colonialism” (194). Tanzanian park authorities and others in the Tanzanian government justify the park as a boost to tourism and thus as a source of large revenues generated for the support of state institutions at the national level. The tourists are attracted in part because of beliefs they have about the history and purposes of the national parks of Tanzania, however fictional the basis for those beliefs may be. Such beliefs also benefit international environmental organizations for revenue-raising purposes and serve to legitimize the neo- colonial practices of the current Tanzanian park authorities. In terms similar to those employed by other recent scholars, Neumann describes the situation as follows: The European settlers are now gone. Significant portions of their former estates lie not in the hands of indigenous Meru farmers, but behind the boundaries of the national park. The land has taken on new meanings derived from European representations of Africa. . . . The late poet and author Evelyn Ames was much taken by Arusha National Park, describing her experience there as . . . like being “alone in Eden.” In her account of leaving the park we can hear many of the themes of nature that African national parks were meant to embody for Europeans: the park is primordial, undisturbed, unchanging, and pure in the absence of humans. . . . The representation of Arusha as a prehuman remnant providing refuge from society is also developed in another popular depiction, where the park provides “a sense of complete withdrawal from the world of man and of immersion in the peace of unspoilt nature.” Tanzania’s independent government has accepted the national park model based on these Western ideals of pristine nature. Arusha National Park remains principally an attraction for tourists to experience “primeval Africa.” (177) Neumann recognizes that the allusions to Eden are more than a metaphor. Western conservation efforts in Africa are infused with a missionary spirit; at the famous Arusha conference in 1961, “conservationists were encouraged to ‘work among the masses with missionary zeal’ and ‘to awaken African public opinion to the economic and cultural values of their unique heritage of wildlife’” (141). It is easy to see in such efforts “striking parallels with the efforts of early Christian missionaries, particularly their ideas about Africans as ‘natural Christians.’ Likewise it appears that Africans were now regarded as ‘natural conservationists’” (141). The Christian religion, unlike many other faiths, has always assumed that its values are universal, in the end meant to spread across the entire world. As related in Genesis, God created the world. To see nature unaltered by human hand, to enter into nature “undisturbed” and “unspoilt,” is to encounter a direct product of the divine handiwork. God is not literally in nature—such a supposition would be the heresy of pantheism—but the experience of “original nature” comes close to putting a person in the very presence of God. The tourists who flock today to Africa’s national parks are a modern version of the pilgrims who have long flooded Rome or descended on Lourdes in southern France. As the visitors to “original nature” in Africa have received spiritual nourishment and replenishment, accommodating their needs has proved good business for many Africans. At present, serving the needs of wildlife pilgrims is the most rapidly growing area of the economy of African nations such as Tanzania, which lacks any base of manufacturing or other industry. The Africans need not share the spiritual motive— Neumann comments that “of all the inherited colonial institutions, wildlife conservation was least understood within African culture” (1998, 141)—but they can well appreciate the economic gains that tourism brings. In some parts of Africa, to be sure, the economic benefits have not been as great, and the motives or capacities of African national governments have been insufficient for the protection of wildlife even in park areas. The bushmeat trade has decimated wildlife populations over parts of West Africa including the parks. John Oates (1999) argues that the old colonial approach—protected areas with local Africans excluded by direct coercive means—may be the only workable solution to protect the wildlife in such cases. He criticizes environmental leaders for their unwillingness to confront the real world, as they pretend that local “community-based” approaches to conservation can succeed everywhere. Although the themes are now altered, even the community- based style of international environmentalism remains a political crusade to save the world. This newer form of environmental thinking also includes a greater element of guilt about the past. Formal appearances are changed, but the old colonial attitudes are still manifested, and efforts on the ground to protect wildlife or to help the African poor commonly fail. According to Oates, many international conservation planners now stress the need to “empower” local people. This form of paternalism seems to be an entrenched feature of Third World development and humanitarian aid projects, which are typically planned and implemented by highly educated middle-class Westerners. The project planners and managers generally maintain (or improve) their own lifestyles, while displaying attitudes that seem to be colored both by colonial-style paternalism toward people they regard as the benighted peasants of the Third World, and by guilt for the perceived wrongdoing of their colonial antecedents. This pursuit of a mixture of material and socio-political aims has become endemic in Third World conservation projects initiated by Westerners and, as I have argued, has its roots in the liaison that developed in the 1970s between international conservation and development organizations. (1999, 234)

#### The colonial project destroys local culture, recasting what it means to be human. Colonialism is the complete physical and ideological destruction of the world of the colonized.

Jayan Nayar, [Professor in the School of Law at the University of Warwick, 1999 “Orders of Inhumanity”, Transnational Law and Contemporary Problems, Fall, Lexis]

Despite the vision of world-order founded on a notion of a universal society of humankind aspiring toward a universal common good, (first given meaning within a conceptual political-legal framework through the birth of the so-called "Westphalian" state system), the materialities of "ordering" were of a different complexion altogether. Contrary to the disembodied rhetoric of world-order as bloodless evolution, the new images of the world and languages of "globality" did not evolve out of a sense of "hospitality" <=16> n15 to the "other," the "stranger." Rather, the history of the creation of the post-Westphalian "world" as one world, can be seen to be most intimately connected with the rise of an expansionist and colonizing world-view and practice. Voyages of "discovery" provided the necessary reconnaissance to image this "new world." Bit by bit, piece by piece, the jigsaw of the globe was completed. With the advance of the "discoverer," the "colonizer," the "invader," the "new" territories were given meaning within the hermeneutic construct that was the new "world." [\*607] The significance of this evolution of the world does not, however, lie merely in its acquiring meaning. It is not simply the "idea" of the world that was brought to prominence through acts of colonization. The construction of the "stage" of the world has also occurred, albeit amid the performance of a violent drama upon it. The idea of a single world in need of order was followed by a succession of chained and brutalized bodies of the "other." The embodied world that has been in creation from the "colonial" times to the present could not, and does not, accommodate plurality. The very idea of "one world" contains the necessary impetus for the absorption, assimilation, if not destruction, of existing worlds and the genocide of existing socialities. This violence of "ordering" within the historical epoch of colonialism is now plainly visible. Through "colonialism" was reshaped the material basis of exchange that determined human relationships. Put differently, the very idea of what is "human" was recast by the imposed value-systems of the "civilizing" process that was colonialism. To be human, to live, and to relate to others, thus, both lost and gained meaning. Lost were many pre-colonial and indigenous conceptions of human dignity, of subsistence, production, consumption, wealth and poverty. Gained was the advent of the human "self' as an objective "economic" agent and, with it, the universals of commodification as the basis for human relations. Following this transformation of the material political-economy of the colonized, or "ordered," colonialism entrenched the "state" as the symbolic "political" institution of "public" social relations. The effect of this "colonization of the mind" was that the "political-economic" form of social organization--the state--was universalized as common, if not "natural," resulting in a homogenization of "political" imagination and language. Thus, diversity was unified, while at the same time, unity was diversified. The particularities and inconveniences of human diversity--culture and tradition--were subordinated to the "civilized" discourse of secular myths (to which the "rule of law" is central), <=17> n16 while concurrently, humanity was formally segregated into artificial "states," enclosures of mythic solidarities and common destinies. This brief remembering of colonialism as an historic process, provides us with the most explicit lessons on the violence of the "ordering" of "worlds." From its history we see that an important feature of ordering prevails.The world of those who "order" is the destruction of the "worlds" of those ordered. So many ideologies of negation and (re)creation served to justify this "beginning"--terra nullius, the "savage" native, the "civilizing mission." <=18> n17 The [\*608] "world," after all, had to be created out of all this "unworldly" miasma, all for the common good of the universal society of humankind, Although historical colonialism as a formal structure of politico-legal ordering of humanity has come and gone, the violence of colonization is very much a persistent reality. A striking feature of historical world-orderings was the confidence with which the "new world" was projected upon human imagination. Colonialism was not a tentative process. The "right" of colonization, both as a right of the colonizer and as a right thing to do by the colonizer, was passionately believed and confidently asserted. Thus, for the most part, this "right" was uncontested, this confidence unchallenged. "World-order" today is similarly asserted with confidence and rectitude, Contemporary world-orderings, consistent with those of the past, are implemented using a range of civilizational legitimization. With the advent of an ideology of "humanity," a "post-colonial" concession to human dignity demanded by the previously colonized, new languages of the civilizational project had to be conceived of and projected. "Freed" from the brutalities of the order of historical colonialism, the "ordered" now are subjected to the colonizing force of the "post-colonial," and increasingly, globalization-inspired ideologies of development and security. Visible, still, is the legitimization of "order" as coercive command through the rhetoric of "order" as evolutionary structure. A. Contemporary Ideologies of Colonization The promise of "new beginnings" has been a constant feature in the rhetoric of post-colonial world-orders, for, after all, new beginnings have a certain captivating allure. "Liberation" from the old has found utterance in a myriad of slogans--independence, peace, security, nation-building, democracy, development, prosperity--made during Party Annual General Meetings, with launches of National Development Plans, or at the lavish settings of the United Nations and international Conferences. With the passing of the blemished age of colonialism, the powerful--national governments, the UN, the World Bank and IMF, and even those countries who individually and severally brutalized and pillaged the formerly "uncivilized"--are now willing, it would seem, to get into the act of creating the "new age" of welfare for all. New beginnings, and more new beginnings, the (once) new United Nations, <=19> n18 the (now dead) New International Economic [\*609] Order, the (still-born) new "sustainable development," the (old) New World-Order, each grand promise of tomorrow ushered in, tired and haggard, but accompanied with much frenzied trumpeting.

## China Collapse

### K2 China Econ

#### Foreign investment and imports are the driving force of the Chinese economy

Yao et al 13 [Yao, Limin, Chaobo Bao, and Junliang Yu. "Research on Economic Development Stage and Marginal Effects of Trade and FDI on Economic Growth in China." International Journal of Economics & Finance 5.11 (2013)] AJ

There has a lot of literatures about trade, FDI which can promote economic growth, but most research focus on the one single internationalization pattern effects on economic growth. It is much less literature about the level of economic development and industrial development cycle which combined to study the internationalization patterns promoting economic growth. The research on relationship between exports and economic growth: Feder (1982) thought that the efficient management of the export sector will generate spillover effects on the non-export sector, thereby stimulating economic growth; Balassa (1978) using OLS regression analysis to regress the export data of 12 developing countries from 1961–1974 with GDP data, considering the contribution of labor force growth and FDI, analysis the relationship between the average GDP growth rate and the actual export growth, the studies show that export promote the country’s economic growth. Kwan Kwok (1995), John Thornton (1996), Shan Sun (1998) use empirical anaylsis methods, through co-integration analysis method and Granger causality test, indicate that exports can promote economic growth. Lin Yifu, Li Yongjun (2003) improved the traditional measure of foreign trade contribution to economic growth, emphasize the effects of two parts of consumption and investment in national income identity, the use of demand-oriented analysis showed that since the 20th century 1990’s, for each export growth of 10%, 1% GDP growth would be promoted; Shi Chanyu, Wang Yafei, Wang Ke (2003), XuHelian Lai Mingyong (2002), Fan Bainai, Mao Xiaotai, Wang Shuang (2005) use Granger causality test analyze the relationship between export trade and economic growth. In the import aspect: Lee (1995), Coe (1997) demonstrated that imports play an active role in promoting economic growth; Liu Xiaopeng (2001) used GDP and trade data analyzing with cointegration, revealed that the growth of import is more significant in promoting the economic growth and as the driving force for economic growth; Fan Bainai, Wang Yibing (2004) empirically analysis the China’s import trade and economic growth which mutually exist causal relationship. The results show that economic growth can strongly promote the import trade, while import trade can also promote the economic growth. As for research about FDI, Kueh (1992) discussed the impact of FDI on domestic investment, industrial output and export in China’s coastal areas. He found that FDI contributed much to the formation of total capital; Chinese scholar Jiang (2004) found that FDI influences Chinese economic growth through effect of capital and spillover, which plays an vital role in boosting Chinese economic growth; Cao Wei (2005) proposed that FDI, by affecting Chinese foreign trade, stimulates Chinese economic growth. However, it didn’t obviously promote human capital and has a Crowding-Out Effect; Cheng Huifang (2002) proposed that the influence of growth of FDI inflows on economic growth in high-income countries is more obvious, compared to middle-income developing countries. Wang Zhiping, Zinai (2004) consider the quasi FDI spillovers’ endogenous growth model, which shows that one country’s long-term growth depends on the proportion of FDI and domestic capital. DeMello (1999) found out that whether the host country is a leader or a follower in technical position, FDI has a positive impact on output growth. There is literature on combination research of trade and FDI. Lee (2006) analyzed IFDI, OFDI, intermediate product import and spillover of international technology through non-physical channel. Wang and Zhang (2005) conducted an empirical analysis of relationship between trade of Yunnan and FDI and economic growth, which showed that there is no long-term equilibrium relationship between Yunnan’s exports, imports and GDP in China. Yao and Wei (2007), using Petroni’s panel unit root test and Arellano and Bond’s dynamic panel data estimation techniques, found that export trade and foreign investment have a significant positive effect on economic growth. Mao and Yao (2009), using panel data model, analyzed the influence of foreign trade and FDI on economic growth in the eastern region. Research showed that foreign trade promotes the eastern region's economic growth significantly. Although FDI plays a negative impact on economic growth of the eastern region, the effect intensity is very small. At the aspect of the empirical research of the economy level and foreign trade and investment promotion, XuHelian and Luan Yongyu (2005) divided the economic system into non-export sector, primary products exports sector and manufactured goods export sector, which build a three-sector model of export trade. The model is divided into two periods of Eighth five-year plan and Ninth five-year plan. They collected the section data from each region to conduct the empirical analysis to examine the technology spillover effect change of export trade to domestic non-export sector. Yao Limin, etc. (2011) comparatively studied the promotion pattern of economic growth of the eastern, central and western areas of China by using two dimensions of internationalization and factors promotion, which revealed the combination differences and evolution of imports, FDI, export-driven and lower elements and innovation-driven of the three regions of China. But for the stage of economic development and export, FDI and promote economic growth, how the effects of contact there is no clear proof. Song Yongji (2012) using Dunning investment cycle theory, conducted the empirical research about the relationship between foreign direct investment of China and the level of economic development. The results show that China’s foreign direct investment is basically similar with the first four phases of Dunning investment cycle theory. This paper is different from the existing literature, using the methods of comparative analysis, analysis the strength and change trend of three kinds of internationalization drivers which are export, import and FDI to economic growth effect, from a dynamic perspective scanning differences in levels of economic development. The purpose of this paper is providing ideas for policy adjustments and more effectively promote regional economic growth.

#### China's economy on the brink--growth is key to stave off collapse

Rickard 2/22 [James Rickard, US economist, "Rickards: The China bubble is bursting ," Darien Times, 2/22, http://www.darientimes.com/29012/rickards-the-china-bubble-is-bursting/]

Finally, China is on the verge of a financial collapse of unprecedented magnitude. This is due to China’s policy of paying bank depositors low rates of interest in a manner similar to the U.S. Federal Reserve’s zero interest rate policy. These low rates send Chinese investors in search of higher yields elsewhere. Because of capital controls, Chinese citizens are not able to invest in foreign assets such as U.S. or Canadian stocks and bonds. The only investments available to most Chinese other than low-rate bank deposits are gold, real estate and so-called “wealth management products.” These wealth management products are offered by banks but are not guaranteed by them. Investor assets are pooled into the products and then invested in commercial projects with the proceeds shared among the investors. The banks promise high returns on these products, which resemble the notorious collateralized debt obligations popular in the U.S. before the Panic of 2008. Actual performance on the wealth management products is below the promised returns in many cases. Banks cover this up by selling new products and using the proceeds to pay off the old ones. This is exactly how a Ponzi scheme operates. Eventually some event such as a project failure or admitted fraud will start a panic in which investors demand that the banks redeem their wealth management products all at once. The banks will be unable to do so and will suspend redemptions on the products. Investors will claim that the products were backed by the banks but the banks will deny this. A run on the banks will commence that only government intervention and bailouts can contain. The result will be a general collapse in Chinese asset values for real estate, stocks and bonds as investors hoard cash, buy gold and move to the sidelines. China’s growth is already overstated due to wasted investment and the hidden costs of pollution. Growth will slow even more as China tries and fails to move from investment to consumption in its growth composition. Finally, growth will collapse completely for a time, as financial panic grips the entire country. Since China represents about 10% of global GDP, any problems in China will not stop there but will ripple around the world in dangerous ways. This could hit the U.S. in 2015, just as the U.S. debt and deficit problems begin to negatively impact our own economy. A continuation of the depression that began in 2007 is likely and a new more dangerous stage of the depression is possible.

#### Global Nuclear war---our impact has a strong statistical basis

Royal 10 – Jedediah Royal, Director of Cooperative Threat Reduction at the U.S. Department of Defense, 2010, “Economic Integration, Economic Signaling and the Problem of Economic Crises,” in Economics of War and Peace: Economic, Legal and Political Perspectives, ed. Goldsmith and Brauer, p. 213-214

Less intuitive is how periods of economic decline may increase the likelihood of external conflict. Political science literature has contributed a moderate degree of attention to the impact of economic decline and the security and defence behaviour of interdependent states. Research in this vein has been considered at systemic, dyadic and national levels. Several notable contributions follow. First, on the systemic level, Pollins (2008) advances Modelski and Thompson's (1996) work on leadership cycle theory, finding that rhythms in the global economy are associated with the rise and fall of a pre-eminent power and the often bloody transition from one pre-eminent leader to the next. As such, exogenous shocks such as economic crises could usher in a redistribution of relative power (see also Gilpin. 1981) that leads to uncertainty about power balances, increasing the risk of miscalculation (Feaver, 1995). Alternatively, even a relatively certain redistribution of power could lead to a permissive environment for conflict as a rising power may seek to challenge a declining power (Werner. 1999). Separately, Pollins (1996) also shows that global economic cycles combined with parallel leadership cycles impact the likelihood of conflict among major, medium and small powers, although he suggests that the causes and connections between global economic conditions and security conditions remain unknown. Second, on a dyadic level, Copeland's (1996, 2000) theory of trade expectations suggests that 'future expectation of trade' is a significant variable in understanding economic conditions and security behaviour of states. He argues that interdependent states are likely to gain pacific benefits from trade so long as they have an optimistic view of future trade relations. However, if the expectations of future trade decline, particularly for difficult to replace items such as energy resources, the likelihood for conflict increases, as states will be inclined to use force to gain access to those resources. Crises could potentially be the trigger for decreased trade expectations either on its own or because it triggers protectionist moves by interdependent states.4 Third, others have considered the link between economic decline and external armed conflict at a national level. Blomberg and Hess (2002) find a strong correlation between internal conflict and external conflict, particularly during periods of economic downturn. They write: The linkages between internal and external conflict and prosperity are strong and mutually reinforcing. Economic conflict tends to spawn internal conflict, which in turn returns the favour. Moreover, the presence of a recession tends to amplify the extent to which international and external conflicts self-reinforce each other. (Blomberg & Hess, 2002. p. 89) Economic decline has also been linked with an increase in the likelihood of terrorism (Blomberg, Hess, & Weerapana, 2004), which has the capacity to spill across borders and lead to external tensions. Furthermore, crises generally reduce the popularity of a sitting government. "Diversionary theory" suggests that, when facing unpopularity arising from economic decline, sitting governments have increased incentives to fabricate external military conflicts to create a 'rally around the flag' effect. Wang (1996), DeRouen (1995). and Blomberg, Hess, and Thacker (2006) find supporting evidence showing that economic decline and use of force are at least indirectly correlated. Gelpi (1997), Miller (1999), and Kisangani and Pickering (2009) suggest that the tendency towards diversionary tactics are greater for democratic states than autocratic states, due to the fact that democratic leaders are generally more susceptible to being removed from office due to lack of domestic support. DeRouen (2000) has provided evidence showing that periods of weak economic performance in the United States, and thus weak Presidential popularity, are statistically linked to an increase in the use of force.

#### Nuclear war causes extinction

Wickersham ’10 - University of Missouri adjunct professor of Peace Studies and a member of The Missouri University Nuclear Disarmament Education Team, author book about nuclear disarmament education (Bill, 4/11/10, “Threat of ‘nuclear winter’ remains New START treaty is step in right direction.” <http://www.columbiatribune.com/news/2010/apr/11/threat-of-nuclear-winter-remains/>)

In addressing the environmental consequences of nuclear war, Columbian Steve Starr has written a summary of studies published by the Bulletin of the International Network of Engineers and Scientists Against Proliferation, which concludes: “U.S. researchers have confirmed the scientific validity of the concept of ‘nuclear winter’ and have demonstrated that any conflict which targets even a tiny fraction of the global arsenal will cause catastrophic disruptions of the global climate.” In another statement on his Web site, Starr says: “If 1% of the nuclear weapons now ready for war were detonated in large cities, they would utterly devastate the environment, climate, ecosystems and inhabitants of Earth. A war fought with thousands of strategic nuclear weapons would leave the Earth uninhabitable.”

#### That turns climate stability

Robock and Slanina 9 – Prof Climatology @ Rutgers, Alan, Head of Environmental Research @ Netherlands Energy Research Foundation, Sjaak, "Nuclear winter." In: Encyclopedia of Earth. Eds. Cutler J. Cleveland http://www.eoearth.org/article/Nuclear\_winter

Nuclear winter is a term that describes the climatic effects of nuclear war. In the 1980's, work conducted jointly by Western and Soviet scientists showed that for a full-scale nuclear war between the United States and the Soviet Union the climatic consequences, and indirect effects of the collapse of society, would be so severe that the ensuing nuclear winter would produce famine for billions of people far from the target zones. There are several wrong impressions that people have about nuclear winter. One is that there was a flaw in the theory and that the large climatic effects were disproven. Another is that the problem, even if it existed, has been solved by the end of the nuclear arms race. But these are both wrong. Furthermore, new nuclear states threaten global climate change even with arsenals that are much less than 1% of the current global arsenal. What's New Based on new work published in 2007 and 2008 by some of the pioneers of nuclear winter research who worked on the original studies, we now can say several things about this topic. New Science: \* A minor nuclear war (such as between India and Pakistan or in the Middle East), with each country using 50 Hiroshima-sized atom bombs as airbursts on urban areas, could produce climate change unprecedented in recorded human history. This is only 0.03% of the explosive power of the current global arsenal. \* This same scenario would produce global ozone depletion, because the heating of the stratosphere would enhance the chemical reactions that destroy ozone. \* A nuclear war between the United States and Russia today could produce nuclear winter, with temperatures plunging below freezing in the summer in major agricultural regions, threatening the food supply for most of the planet. \* The climatic effects of the smoke from burning cities and industrial areas would last for several years, much longer than we previously thought. New climate model simulations, that have the capability of including the entire atmosphere and oceans, show that the smoke would be lofted by solar heating to the upper stratosphere, where it would remain for years. New Policy Implications: \* The only way to eliminate the possibility of this climatic catastrophe is to eliminate the nuclear weapons. If they exist, they can be used. \* The spread of nuclear weapons to new emerging states threatens not only the people of those countries, but the entire planet. \* Rapid reduction of the American and Russian nuclear arsenals will set an example for the rest of the world that nuclear weapons cannot be used and are not needed. How Does Nuclear Winter Work? A nuclear explosion is like bringing a piece of the Sun to the Earth's surface for a fraction of a second. Like a giant match, it causes cities and industrial areas to burn. Megacities have developed in India and Pakistan and other developing countries, providing tremendous amounts of fuel for potential fires. The direct effects of the nuclear weapons, blast, radioactivity, fires, and extensive pollution, would kill millions of people, but only those near the targets. However, the fires would have another effect. The massive amounts of dark smoke from the fires would be lofted into the upper troposphere, 10-15 kilometers (6-9 miles) above the Earth's surface, and then absorption of sunlight would further heat the smoke, lifting it into the stratosphere, a layer where the smoke would persist for years, with no rain to wash it out. The climatic effects of smoke from fires started by nuclear war depend on the amount of smoke. Our new calculations show that for 50 nuclear weapons dropped on two countries, on the targets that would produce the maximum amount of smoke, about 5 megatons (Tg) of black smoke would be produced, accounting for the amount emitted from the fires and the amount immediately washed out in rain. As the smoke is lofted into the stratosphere, it would be transported around the world by the prevailing winds. We also did calculations for two scenarios of war between the two superpowers who still maintain large nuclear arsenals, the United States and Russia. In one scenario, 50 Tg of black smoke would be produced and in another, 150 Tg of black smoke would be produced. How many nuclear weapons would be required to produce this much smoke? It depends on the targets, but there are enough weapons in the current arsenals to produce either amount. In fact, there are only so many targets. Once they are all hit by weapons, additional weapons would not produce much more smoke at all. Even after the current nuclear weapons reduction treaty between these superpowers is played out in 2012, with each having about 2,000 weapons, 150 Tg of smoke could still be produced. Here are movies of the smoke transport from three different scenarios: These new results were made possible by the use of a state-of-the-art general circulation model of the climate. For the first time a complete calculation of not only atmospheric but also oceanic circulation was conducted, including the entire atmosphere from the surface up through the troposphere, stratosphere, and mesosphere, to an elevation of 80 kilometers (50 miles). Previous calculations had not been run for the 10 year simulations here, and had not allowed the smoke to be lofted into the upper stratosphere, where it would persist for many years. We calculated the climate response to the three scenarios illustrated above. Compared to the global warming observed for the past century, all three scenarios show massive cooling. Compared to the climate change for the Northern Hemisphere for the past 1,000 years, the famous hockey stick diagram, the climate change from any of these scenarios is unprecedented. Compared to climate change for the past millenium, even the 5 Tg case (a war between India and Pakistan) would plunge the planet into temperatures colder than the Little Ice Age (approximately 1600-1850). This would be essentially instantly, and agriculture would be severely threatened. Larger amounts of smoke would produce larger climate changes, and for the 150 Tg case produce a true nuclear winter, making agriculture impossible for years. In both cases, new climate model simulations show that the effects would last for more than a decade. Analogs Support the Theory Nuclear winter is a theory based on computer model calculations. Normally, scientists test theories by doing experiments, but we never want to do this experiment in the real world. Thus we look for analogs that can inform us of parts of the theory. And there are many such analogs that convince us that the theory is correct: \* Cities burning. Unfortunately, we have several examples of cities burning, firestorms created by the intense release of energy, and smoke being pumped into the upper atmosphere. These include San Francisco as a result of the earthquake in 1906, and cities bombed in World War II, including Tokyo, Dresden, Hamburg, Darmstadt, Hiroshima, and Nagasaki. \* The seasonal cycle. In the winter, the climate is cooler, because the days are shorter and sunlight is less intense. Again, this helps us quantify the effects of reduction of solar radiation. \* The diurnal cycle. At night the Sun sets and it gets cold at the surface. If the Sun did not rise tomorrow, we already have an intuitive feel for how much cooling would take place and how fast it would cool. \* Volcanic eruptions. Explosive volcanic eruptions, such as those of Tambora in 1815, Krakatau in 1883 and Pinatubo in 1991, provide several lessons. The resulting sulfate aerosol cloud in the stratosphere is transported around the world by winds, thus supporting the results from the animations above. The surface temperature plummets after each large eruption, in proportion to the thickness of the stratospheric cloud. In fact 1816, following Tambora, is known as the "Year Without a Summer," with global cooling and famine. Following the Pinatubo eruption, global precipitation, river flow, and soil moisture all reduced, since cooling the planet by blocking sunlight has a strong effect on reducing evaporation and weakening the hydrologic cycle. This is also what the nuclear winter simulations show. \* Forest fires. Smoke from large forest fires sometimes is injected into the lower stratosphere. And the smoke is transported around the world, also producing cooling under the smoke. \* Dust storms on Mars. Occasionally, dust storms start in one region of Mars, but the dust is heated by the Sun, lofted into the upper atmosphere, and transported around the planet to completely enshroud it in a dust blanket. This process takes a couple weeks, just like our computer simulations for the nuclear winter smoke. \* Extinction of the dinosaurs. 65,000,000 years ago an asteroid or comet smashed into the Earth in southern Mexico. The resulting dust cloud, mixed with smoke from fires, blocked out the Sun, killing the dinosaurs, and starting the age of mammals. This Cretaceous-Tertiary (K-T) extinction may have been exacerbated by massive volcanism in India at the same time. This teaches us that large amounts of aerosols in Earth's atmosphere have caused massive climate change and extinction of species. The difference with nuclear winter is that the K-T extinction could not have been prevented. Policy Implications The work on nuclear winter in the 1980's, and the realization that both direct and indirect effects of nuclear war would be a global catastrophe, led to the end of arms race and the end of the Cold War. In response to the comment "In the 1980s, you warned about the unprecedented dangers of nuclear weapons and took very daring steps to reverse the arms race," in an interview in 2000, Mikhail Gorbachev said "Models made by Russian and American scientists showed that a nuclear war would result in a nuclear winter that would be extremely destructive to all life on Earth; the knowledge of that was a great stimulus to us, to people of honor and morality, to act in that situation."[1] Since the 1980's, the number of nuclear weapons in the world has decreased to 1/3 of the peak number of more than 70,000. The consequences of regional-scale nuclear conflicts are unexpectedly large, with the potential to become global catastrophes. The combination of nuclear proliferation, political instability, and urban demographics may constitute one of the greatest dangers to the stability of society since the dawn of humans. The current and projected American and Russian nuclear arsenals can still produce nuclear winter. Only nuclear disarmament will prevent the possibility of a nuclear environmental catastrophe.

### China Key

#### Continued Chinese economic strength is key to global economic strength.

Lin 11 [Justin Yifu Lin (World Bank's chief economist and senior vice president for Development Economics). “Viewpoint: China, the 'leading dragon' of the world economy.” BBC News. 11/23/11. <http://www.bbc.co.uk/news/business-15861161>] AJ

Whether we are on the verge of an "Asian Century" or not, one thing is clear: there has already been a dramatic shift in the geographic centre of the global economy. China is now front and centre, and its role as a leading dragon can be beneficial for growth prospects for the world economy. The world desperately needs engines of growth right now, and fortunately - with continued strong and pragmatic economic policy making - China can provide that impetus. China is now the world's second biggest economy and the largest exporter of goods, with 9.6% of the global share, followed by Germany, the United States and Japan. China has an income per capita of $4,400 in current dollars and is well established as a high-middle income country. China's foreign reserves, which now exceed $3 trillion, are the largest in the world. Behind this rise, there has been a dramatic structural transformation entailing rapid industrialisation, a massive movement out of agriculture, and an impressive stretch of trade-related growth. Continue reading the main story “Start Quote Contagion from the Euro area... sagging demand in high-income countries... a double-dip recession in advanced countries cannot be ruled out as a downside risk” The 'advantage of backwardness' China has the potential to grow dynamically for another 20 years. This is in part because, as of 2008, the country still had a capita income that was just 21% of US per capita income - measured in purchasing power parity terms. This US-China income gap is evidence that a big technological gap still exists between China and the industrialised countries. China can continue to enjoy the advantage of backwardness before closing the gap. By 2030, China's income per head (measured in purchasing power parity) may reach about 50% of that in the United States. By then, China's economic size (in purchasing power parity terms) may be twice as large as the US; and measured at market exchange rates, China may be at least the same size as the US two decades from now. The challenges Chinese dragon in Tianamen Square China's economy is set to become a "lead dragon", says Justin Lin Yet China and other emerging markets must confront several serious challenges in the coming years. First, contagion from the Euro area and sagging demand in high-income countries could dampen hopes for moderate world growth over the next few years. Indeed, a double-dip recession in advanced countries cannot be ruled out as a downside risk. Nationally, China must tackle what amounts to a triple imbalance. Engineering a shift towards domestic demand and moving from an over-reliance on export-led growth represents the first rebalancing. The process should be balanced between consumption and continued strong growth in investment. The latter is critical for industrial upgrading, raising incomes, as well as developing "green economy" sectors and protecting the environment. The second rebalancing entails a structural transformation to reduce income disparities. In spite of the general improvement of living standards, China has shifted from a relatively egalitarian society in 1979 to a country with alarming income inequality. The Gini index [a common measure of social inequality] reached 41.5 in 2005, approaching the level of Latin American countries. The widening of disparity may threaten social stability and hinder economic growth. The third imbalance relates to environmental costs that have accompanied rapid growth. China needs to shift its stance vis-a-vis short-term growth and long-term environmental sustainability. The future structure of production must shift towards cleaner technologies. China's growing reach As a result of superior growth in the developing world, we are now in a multi-polar growth world, with economic weight shifting from the G7 economies [of seven leading industrialised nations] to developing economies. Continue reading the main story “Start Quote The gradual emergence of the Chinese Renminbi as a global reserve currency... is almost inevitable given the growing relative strength of China ” China's contributions to the multi-polar world are manifold. For high-income countries, China's growth will expand markets for their capital goods and intermediate goods exports. Many developing countries are still major producers of agricultural and natural resource commodities. Chinese consumption and production growth will continue to support adequate commodity prices and thus help these exporters. In addition, the Chinese government and Chinese firms will also provide funds for natural resource and infrastructure investment in emerging markets and low-income countries. This is already happening, and it is likely to continue. In particular, there is a growing role of Chinese finance in the Africa region - the developing region with the most constrained access to finance. Also, as China undergoes industrial upgrading, it will leave space for other developing countries to enter the more labour-intensive industries. Chinese enterprises are expected to relocate their existing production to other lower wage countries as they upgrade to higher value-added industries - just like Japan and East Asian economies did a few decade ago. The difference is that, because of its size, China may become a "leading dragon" for other developing countries instead of a "lead goose" in the traditional flying geese pattern of the international diffusion of industrial development. Over time, there is also the possibility of the gradual emergence of the Chinese Renminbi as a global reserve currency. This is something that would require many fundamental reforms in the Chinese economy; however, it is almost inevitable given the growing relative strength of China in the multi-polar world.

#### China provides a major market for commodity imports – continual flow is key to stability.

Vicente 11 [Gonzalez-Vicente, Ruben (PhD candidate at the Department of Geography, University of Cambridge). "China's engagement in South America and Africa's extractive sectors: new perspectives for resource curse theories." The Pacific Review 24.1 (2011): 65-87] AJ

Firstly, on the positive ledger, China’s growth has been positive over- all for commodity-exporting economies. According to the United States Government Energy Information Administration, in 2008 China was the world’s second largest oil consumer, with a consumption of 3.7 million bar- rels per day (EIA 2009). China is also the world’s single biggest market for iron, coal, copper, cement, aluminum, and nickel, and a major consumer of a number of other commodities (Moody, 2007). Therefore, the amounts of commodities traded and of extractive investment have been greatly enlarged due to China’s demand. Moreover, China’s growth and direct investment have not only increased the demand for commodities, but consequently pushed their prices up as well. As Kaplinsky (2006) explains, the importance of this commodity prices boom is such that Singer’s (1950) and Prebisch’s (1950) classical explanations for declining terms of trade of re- sources are challenged. Even though the effects of the current global eco- nomic crisis are also noticed in the commodities sector, prices have re- mained more stable than in previous economic downturns. This suggests that China’s infrastructure development, urbanization and industrialization will maintain commodity prices high and relatively stable.

### Latin America DA---1NC

#### China needs Latin American oil – the plan prevents their development.

Blumenthal ‘8 (Dan is a resident fellow at AEI. “Concerns with Respect to China's Energy Policy,” July 1, <http://www.aei.org/files/2003/08/26/20080723_ChinaEnergyStrat.pdf>)-mikee

The tremendous increase in China’s appetite for energy, and the response to this by regional powers, is changing the dynamics of international politics. Over the past two decades, the growth in China’s demand for natural resources has been dramatic. Twenty years ago China was East Asia’s largest oil exporter; now it is the world’s second largest oil importer. Accord- ing to various estimates, in the last two years the increase in China’s energy demand has made up anywhere from 20–40 percent of worldwide growth. China’s expanding portion of the worldwide demand for energy and other natural resources helps to explain China’s booming presence on the international stage. China’s share of worldwide aluminum, nickel, and iron ore con- sumption, which are now each approximately 20 percent, doubled from 1990 to 2000 and will probably double again by the decade’s end.1 As China scours the globe for energy resources, it has become a new player in some important regions. It receives between 40 and 45 percent of its energy imports from the Middle East, 11 percent from Iran alone. More than 30 percent of its oil now comes from Africa. President Hu Jintao and Premier Wen Jiabao have worked hard to secure and protect China’s far-flung invest- ments. Through high-level diplomacy, economic aid, and military relations, Chinese leaders have increased Beijing’s influence in oil-producing states. As a latecomer to the world energy consumption game, Beijing has entered markets forbidden to Americans. Some of these relationships have strength- ened the hand of dangerous regimes looking for an alternative to the United States: for example, China’s presence in Latin American resource markets has allowed Hugo Chavez to boast that no longer will the United States be the dominant consumer of Venezuelan oil; now, “[Venezuela is] free and place[s] this oil at the disposal of the great Chinese fatherland.”2 Washington is concerned that China is underwriting dangerous and repressive dictatorships from Khartoum to Tehran. Its response, within the framework of a diplomacy that encourages China to become a “responsi- ble stakeholder” in international affairs, is to persuade China to embrace the international energy market rather than “lock-up” upstream resources. The United States is also trying to convince China that supporting dictators in oil-producing states is not conducive to the long-term stability of the inter- national system and does not even enhance Beijing’s own oil supply security. As Chinese energy investments expand around the globe, Chinese strat- egists and officials are debating options for securing China’s oil supply. This debate is unfolding in the context of Beijing’s larger debate regarding Chi- na’s strategic direction. To be sure, the Chinese energy debate has produced some policies consistent with evolving international norms. For example, Beijing is constructing a Strategic Petroleum Reserve, participating in the spot oil market, and making efforts to increase energy efficiency at home and therefore decrease demand. Still, some major elements of China’s energy security policy remain attempts to “lock-up” energy supplies at the source, develop strategic relationships with oil producers, and develop the military capability to deter hostile supply disruptions.3 The policy is informed by suspicion of the United States and regionally powerful nations including Japan and India, as well as by the economic nationalist impulse that China should have as much control as possible over its own strategic resources. Beijing perceives the United States to be opposed to key Chinese strategic objectives. China sees Washington as standing in the way of unification with Taiwan and suspects that the United States has a longer-term objective of containing China’s rise. This perception reinforces a widespread Chinese belief that the United States “controls” the oil market and will manipulate it to China’s detriment. Moreover, many in Beijing believe that the United States will use its dominance at sea to interrupt fuel supplies should China behave in a manner that displeases Washington. These views about American policy help to explain why China has not moved more toward the “liberal” end of the economic policy spectrum.4

#### The plan changes the oil dynamic and guts Chinese influence – causes energy insecurity for China.

Xiaoxia, 5/6 (Wang, ECONOMIC OBSERVER/Worldcrunch, “In America's Backyard: China's Rising Influence In Latin America,” May 5, 2013, <http://www.worldcrunch.com/china-2.0/in-america-039-s-backyard-china-039-s-rising-influence-in-latin-america/foreign-policy-trade-economy-investments-energy/c9s11647/>) -mikee

Initially, China’s activities in Latin America were limited to the diplomatic level. By providing funds and assisting in infrastructure constructions, China managed to interrupt diplomatic ties between poor Latin countries and Taiwan. Since then, with China's economic boom, the supply of energy and resources has gradually become a problem that plagues China -- and its exchanges with Latin America thus are endowed with real substantive purpose. Among the numerous needs of China, the demand for oil has always been the most powerful driving force. In the past 30 years, China has consumed one-third of the world's new oil production and become the world's second-largest oil importer. More than half of China's oil demand depends on imports, which increases the instability of its energy security. Diversification is inevitable. In this context, Latin America and its huge reserves and production capacity naturally became a destination for China. China must better protect its energy supply, and can't just play the simple role of consumer. It must also help solidify the important links of the petroleum industry supply chain. Indeed, the China National Petroleum Corporation frequently appears in Latin American countries, and China’s investment and trade in the Latin American countries are also focused on its energy sector. In the opinion of many European and American scholars, China's current practice isn’t much different from that of Western colonizers of the last century. These scholars believe that China doesn’t care about local human rights or the state of democracy when dealing with countries. All China is interested in is establishing long-term, stable economic relations. This realistic path is exactly opposite to that of America's newfound idealism. Thus China has become a close collaborator of certain Latin American countries, such as Venezuela, that are in sharp conflict with the United States.

#### Energy insecurity in Asia causes great power wars.

Blumenthal, ‘8 (Dan is a resident fellow at AEI. “Concerns with Respect to China's Energy Policy,” July 01, 2008, <http://www.aei.org/files/2003/08/26/20080723_ChinaEnergyStrat.pdf>)

Tokyo, which used to be the dominant Asian player in energy markets, has been shocked by China’s growing oil needs. Japan’s view of Chinese energy policies is shaped by its perception that a stronger China is asserting itself regionally and globally to Tokyo’s detriment. In particular, Japan views the dispute over territorial demarcation and oil and gas resources in the East China Sea as part of a more aggressive Chinese posture. Japan has responded assertively as well, chasing away a Chinese nuclear submarine that intruded into Japanese waters in 2004. In 2005 relations deteriorated when China and Japan accused one another of beginning to extract resources in contested regions of the East China Sea.51 China sent a small fleet led by Sovremennyy- class destroyers in a show of force around the gas field, and a Chinese ship reportedly trained its guns on a Japanese P-3C patrol craft.52 Japan declared for the first time in its 2004 defense white paper that Chinese naval power should be a cause of concern for all of Asia. The prospect of two Asian powers using military force to emphasize or settle competing claims for oil and gas is unsettling. The United States has significant treaty obligations to Japan, meaning that risk of conflict with Japan is a risk of conflict with the United States. Japan is alarmed by the rate of China’s energy consumption growth and a perceived mercantilist tilt in China’s energy policy.53 This Japanese perception has prompted Japanese national security policymakers to take a tougher line with China and upgrade the alliance with the United States. Japanese energy policy is likewise responding: following a two-decade period of liber- alization, Japan’s latest energy strategy has a more nationalist cast, with calls for government intervention to compete on an equal footing with China for international resources.54 To be sure, Japan is also taking measures to reduce demand and proposing multilateral cooperation, but a view insisting that energy is a strategic resource, and that Japan will need to compete for it with China, has grown prominent of late in Tokyo. Tokyo’s and Beijing’s recent competition for Russian energy supplies from East Siberia and Sakhalin is a case in point. An energy policy that fuels great power competition threatens the security of Asia. Given Japanese and Indian angst over Beijing’s energy strategy, it is incumbent upon the United States to maintain its predominance in Asia through robust economic and military presence. The appearance of Ameri- can withdrawal or inattention would create a vacuum to be filled by intensified security competition among the three major powers, two of whom have nuclear weapons.

### Latin America DA---UQ

#### China influence rising in Latin America.

Xiaoxia, 5/6 (Wang, ECONOMIC OBSERVER/Worldcrunch, “In America's Backyard: China's Rising Influence In Latin America,” May 5, 2013, <http://www.worldcrunch.com/china-2.0/in-america-039-s-backyard-china-039-s-rising-influence-in-latin-america/foreign-policy-trade-economy-investments-energy/c9s11647/>) -mikee

Over the past five years, Chinese businesses have been expanding their footprint in Latin America in a number of ways, beginning with enhanced trade to ensure a steady supply of bulk commodities such as oil, copper and soybeans. At this year's Boao Forum for Asia, for the first time a Latin American sub-forum was created that included the participation of several heads of state from the region. Since 2011, China has overtaken the Netherlands to become Latin America’s second biggest investor behind the United States. China has signed a series of large cooperation agreements with Latin American countries in such fields as finance, resources and energy. According to the latest statistics of the General Administration of Customs of China, Sino-Latin American trade grew in 2012 to a total of $261.2 billion, a year-on-year increase of 8.18%. This trend risks undermining the position of the United States as Latin America’s single dominant trading partner. In 2011, the U.S.-Latin American trade volume was $351 billion. Some prominent Chinese have condemned the United States' high-profile Return to Asia strategy, with its intention of “containing China's front door.” Shouldn’t the United States, which put forward the Monroe Doctrine two centuries ago, also question how China is quietly arriving in America’s backyard?

### Latin America DA---Links

#### Latin America key to China’s global strategy.

Zhang ’12 (Kunsheng, Assistant Foreign Minister of China “On Strengthening China’s Relations with Latin American and Caribbean Countries under New Situation,” CIIS, Oct 30, 2012,

http://www.ciis.org.cn/english/2012-10/30/content\_5446364.htm)-mikee

The Chinese Government made public its first policy paper on Latin America and the Caribbean in 2008. The document stressed that China views its relations with the region from a strategic height and seeks to build and develop a comprehensive and cooperative partnership featuring equality, mutual benefit and common development with countries in the region. It was the third time for China to issue a policy paper on a region following the release of such documents on the EU and Africa. It showed that China gives top priority and is strategically committed to developing relations with Latin American and Caribbean countries. During his trip to the region in June 2012, Premier Wen Jiabao put forward a series of important initiatives and measures on deepening ties. His proposals, which received a positive response from state leaders and people from all walks of life in Latin American and Caribbean countries, charted the course for the development of China’s relations with these countries at a higher level.

### Link – Peru

#### Chinese investment in Peru high now

Reuters 13 [“Petrobras sells Peru unit to PetroChina/CNPC for $2.6 billion.” Reuters. Wed Nov 13, 2013 12:32pm EST] AJ

(Reuters) - Brazil's state-run oil company Petrobras (PETR4.SA) has struck a deal to sell its Peruvian oil and gas assets to PetroChina (0857.HK), China's top oil and gas firm, and its parent China National Petroleum Corp (CNPC) for $2.6 billion. Petrobras, which has been looking to sell its foreign assets to focus on tapping massive deposits discovered off Brazil's Atlantic coast, said the deal signed on Wednesday still needs the approval of the Chinese and Peruvian governments. The Chinese companies agreed to buy all the shares of Petrobras Energia Peru S.A., which has three oil and gas fields in Peru. The fields currently produce about 800,000 metric tons oil equivalent a year, PetroChina said in a securities filing. "The three target blocks are all quality oil properties in Peru with achievable profit potential," PetroChina added. "The acquisition of the assets will help to expand the scale of PetroChina's oil and gas cooperation in Latin America, and drive the sustainable development of PetroChina's overseas business." Petrobras said the agreement involves Lot X, a mature field that has been in production since 1912 and produced 16,000 barrels of oil equivalent last year, and Lot 58, where gas was recently discovered. The deal also includes a 46.16 percent stake in Lot 57, a natural and condensed gas field that has not begun operating yet. The Peruvian exploration subsidiary of Spain's Repsol (REP.MC) owns the remaining 53.84 percent of this bloc. Petrobras said the sale is part of its 2013-2017 business plan announced in March that aims at divesting $9.9 billion in assets, including stakes in Gulf of Mexico blocs and exploration assets in Africa. The Peru assets are being sold to CNPC Holdings and CNODC International, both overseas units of CNPC Exploration and Development Co Ltd, which is a subsidiary of PetroChina and indirectly of CNPC, the controlling shareholder of PetroChina. The deal reinforces the growing presence of Chinese oil companies in Latin America. Last month, CNPC and China's CNOOC Ltd (0883.HK) each got 10 percent stakes in Brazil's largest offshore oilfield, Libra, through a consortium led by Petrobras that includes France's Total SA (TOTF.PA) and Anglo-Dutch Royal Dutch Shell Plc (RDSa.L). The Libra field is estimated to hold between 8 billion and 12 billion barrels of recoverable oil discovered beneath a layer of salt thousands of meters below water and sub-sea rock.

## Trade\*\*

### 1NC

#### Resource extraction key to international trade

Ruta 12 [(Michele Ruta, World Trade Organization; Anthony J. Venables University of Oxford) “International Trade in Natural Resources: practice and policy” World Trade Organization March] AT

Around one-fifth of global merchandise trade is in natural resources.1 Fuels, of which two-thirds of world output is traded across international borders, are the largest element. This trade is particularly important for many producing countries whose exports are undiversified: 21 countries have more than 80% of their exports in natural resources, and for 9 of these countries resource exports are more than 50% of GDP.2 It is also crucial for importers who may have no local supply, and for whom resources are an essential input to their economies. For the world economy as a whole resource price variations are both a barometer and a determinant of macro- economic performance.

#### Trade collapse causes global wars

Hegre 9 [(Håvard Hegre Department of Political Science, University of Oslo Center for the Study of Civil War, International Peace Research Institute, Oslo (PRIO) John R. Oneal Department of Political Science The University of Alabama Bruce Russett Department of Political Science Yale University) “Trade Does Promote Peace: New Simultaneous Estimates of the Reciprocal Effects of Trade and Conflict” Yale.edu Aug 25] AT

Two studies question whether economic interdependence promotes peace, arguing that previous research has not adequately considered the endogeneity of trade. Using simultaneous equations to capture the reciprocal effects, they report that trade does not reduce conflict, though conflict reduces trade. These results are puzzling on logical grounds. Trade should make conflict less likely, ceteris paribus, if interstate violence adversely affects commerce; otherwise, national leaders are acting irrationally. In re-analyzing the authors‘ data, this article shows that trade does promote peace once the gravity model is incorporated into the analysis of conflict. Both trade and conflict are influenced by nations‘ sizes and the distance separating them, so these fundamental exogenous factors must be included in models of conflict as well as trade. One study errs in omitting distance when explaining militarized disputes. The other does not adequately control for the effect of size (or power). When these theoretically informed changes are made, the pacific benefit of trade again appears. In new simultaneous analyses, the article confirms that trade promotes peace and conflict contemporaneously reduces commerce, even with extensive controls for traders‘ rational expectations of violence. Previous studies that address the endogeneity of trade by controlling for the years of peace—as virtually all have done since 1999—have not overstated the benefit of interdependence. Commerce promotes peace because violence has substantial costs, whether these are paid prospectively or contemporaneously

# Links

## Product Links

### Non-Timber Forest Products

#### Extraction of non-timber forest products key to local survival and poverty alleviation.

Stanley et al 12 [Stanley, Denise, Robert Voeks, and Leaa Short. "Is Non-Timber Forest Product Harvest Sustainable in the Less Developed World? A Systematic Review of the Recent Economic and Ecological Literature." Ethnobiology and Conservation 1 (2012)] AJ

Assessment of recent studies of non-timber forest products (2000-2010) in the tropical and subtropical world suggests that these extractive activities are overall ecologically and economically sustainable under current or practical conditions. This is the case in Latin America, Africa, and Asia. A considerable majority of studies report that current levels and intensities of harvest do not threaten the ability of individuals and populations to replace themselves, nor is the ecological integrity of the relevant ecosystems threatened. Researchers were less sanguine regarding the impacts of extractive activities on associated community members, such as removal of food sources for frugivorous birds and mammals. They also report complementary negative community effects, such as the local extinction of large mammals due to overhunting by palm heart extractors (Matos and Bovi 2002) or unsustainable agricultural practices and timber removal during non-gathering periods of Brazil nuts (Escobar and Aldana 2003). Most researchers acknowledge the challenges associated with assessing ecological sustainability in a fixed temporal setting while conditions and feedbacks, such as ecological dynamics and supply and demand, are ever-evolving. Such acknowledgement requires nuanced assessments weighing the potential ecological threats to and associated with NTFP extraction. In this vein, positive sustainable impact assessments most typically propose management strategies or practices that, if implemented, could maximize the benefits of NTFP extraction while providing or maximizing ecological conservation and associated benefits. What researchers know about the relative sustainability of NTFP harvest for this review period is geographically contingent. Much more is known about the ecological consequences of extractivism in Latin America than in Asia or Africa. And within these regions, a few countries have received abundant research attention, such as Brazil, Bolivia, Benin, South Africa, India and Nepal. But because so many less developed countries are not represented by a single study, our conclusions regarding ecological sustainability of NTFP harvest must be taken with caution. Nevertheless, the fact that many of the features associated with NTFP extraction identified in this review were quite similar to those reported by Ticktin (2004) in her review of the 1990s literature suggests both that these studies represent a reasonably good barometer of current extractive patterns and that there is considerable continuity of harvest characteristics over time. Thus, most studies continue to be carried out on the ecological consequences of NTFP harvest on plant populations and individuals. Research at the community and ecosystem level continues to receive much less attention. Trees and palms are investigated far more frequently than other life forms, and they both supply multiple harvestable products. Nearly all research is directed at the extraction of seeds/fruit/nuts, leaves, and meristem (especially palm heart) harvest. The ecological effects of lianas, epiphytes and mushroom harvest are almost never investigated in the tropics and subtropics. In regards to financial returns, our review suggests that NTFP collection represents an attractive option for keeping gatherers out of poverty. Earnings represent an economically justifiable use of gatherer time, except in the very poorest countries of East Asia. This could be due to the overall degree of poverty there (mean household annual incomes are usually less than USD$1000 per capita/year). In wealthier less-developed countries, such as several in Latin America, overall yearly mean incomes are higher, so it is more likely that NTFP gathering will elevate people above the international poverty line standard. These regional differences are important since going rural wage rates have long been higher in Latin America. Vedeld et al. (2004) found the highest overall NTFP incomes (across meta-analysis case studies) in Latin America (USD$5,676 PPP) with the lowest in East Africa (USD$1697 PPP). And Ruiz-Perez et al. (2004) report USD$10.25/day in Latin America against USD$5.62 per day in Africa.

### Mangrove Forests

#### Mangrove harvesting key to local subsistence and minimizing poverty

Walters 08 [Ethnobiology, socio-economics and management of mangrove forests: A review Bradley B. Walters a,\*, Patrik Ro¨nnba¨ck b, John M. Kovacs c, Beatrice Crona b, Syed Ainul Hussain d, Ruchi Badola d, Jurgenne H. Primavera e, Edward Barbier f, Farid Dahdouh-Guebas Aquatic Botany 89 (2008) 220–236] AJ

Non-timber forest products are recognized as important economic resources, particularly to rural, marginalized communities (Vedeld et al., 2004). Many coastal communities in the tropics are characterized by relative geographic isolation, chronic poverty and significant dependence on the harvest of marine and coastal resources for their livelihood (Kunstadter et al., 1986). The majority of people living in or near mangrove areas derive their principal income from fishing and related activities. The direct harvest of mangrove wood and plants is rarely a full-time occupation for them, but a great many rely on these products to meet subsistence needs for fuel and construction materials, and for others the harvest and sale of mangrove forest products is an important income supple- ment (Christensen, 1982; FAO, 1985, 1994; Kunstadter et al., 1986; Diop, 1993; Lacerda et al., 1993; Spalding et al., 1997; Glaser, 2003; Walters, 2005a; Lopez-Hoffman et al., 2006; Ro ̈ nnba ̈ ck et al., 2007a). The two most widespread uses of mangrove wood are for fuel and construction. Many common mangrove tree species, e.g., Rhizophora species produce wood that is dense, hard and often rich in tannins (FAO, 1994; Bandaranayake, 1998). Such wood burns long and hot, and so is highly attractive for making charcoal or consuming directly as firewood (Brown and Fischer, 1918; Chapman, 1976; Christensen, 1982, 1983b; Taylor, 1982; Bhat- tacharyya, 1990; Ewel et al., 1998a; Walters, 2005a; Dahdouh- Guebas et al., 2006a). The harvest of mangrove for fuelwood is widespread throughout the coastal tropics (Fig. 1A and D). In some countries, mangrove wood historically formed an important commercial fuel for industries like bakeries and clay-firing kilns, although this is less common today because of the ready availability of alternative fuels, like natural gas and electricity, and policies aimed at discouraging mangrove cutting (Lacerda et al., 1993; Naylor et al., 2002; Walters, 2003). Nonetheless, remote coastal communities in many parts of the tropics continue to depend heavily on mangrove wood for domestic fuelwood consumption, and commercial markets that sell mangrove charcoal to nearby towns and urban centers are not uncommon (Untawale, 1987; Walters and Burt, 1991; Alvarez-Leon, 1993; Allen et al., 2000; Dahdouh-Guebas et al., 2000b; Glaser, 2003). The qualities of strength and durability (including pest- and rot-resistance) also make mangrove wood well-suited for use in construction (Adegbehin, 1993; Bandaranayake, 1998; Kairo et al., 2002; Walters, 2005a). Yet, the typically short and contorted growth form of tree stems of common genera such as Avicennia and Sonneratia renders them of limited value for large, commercial-sized lumber. The extraction of construction wood from mangroves is thus limited mostly to domestic consumption and sale of small-size posts to targeted local and regional markets (Fig. 1C). Mangrove wood is widely used in coastal communities for residential construction (posts, beams, roofing, fencing) and to make fish traps/weirs (Adegbehin, 1993; Alvarez-Leon, 1993; Rasolofo, 1997; Ewel et al., 1998a; Semesi, 1998; Kovacs, 1999; Primavera et al., 2004; Walters, 2004). Fronds from the mangrove ‘‘nipa’’ palm (Nypa fruticans (Thunb.) Wurmb.) are particularly valued in Southeast Asia for use in roofing and as thatch in walls and floor mats (Aksornkoae et al., 1986; Fong, 1992; Basit, 1995; Spalding et al., 1997; Walters, 2005a). Mangrove wood is also used in some countries for building boats, furniture, wharf pilings, telegraph poles, construction scaffolding, railway girders and mine timbers (Walsh, 1977; Mainoya et al., 1986; Adegbehin, 1993; Bandaranayake, 1998; Primavera et al., 2004; Lopez-Hoffman et al., 2006). In addition to wood for fuel and construction, mangrove forest trees are also widely valued for their bark (used in tanning and dyes) and wood fiber (to make rayon and paper); as sources of animal fodder, vegetable foods, and diverse traditional medicines and toxicants (see Bandaranayake, 1998, 2002 for a reviews); and as habitats for honey bees and hunted wildlife (see Table 1; Fig. 1G).

### Mining

#### Mining in developing countries is key to survival of local communities – a lack of property rights drives their poverty.

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

This focus on large, formally owned and operated, corporate capital mineral extraction processes ignores how poor people actually live on mineral- rich tracts in the world. Peasant or informal mining and quarrying ^ digging, washing, siev- ing, panning and amalgamating ^provide liveli- hoods for at least 13 million people in the global South (ILO, 1999). Extracting low volumes of minerals from small and scattered deposits using little capital/technology, and with low labour cost, productivity and returns is a worldwide phenom- enon with a long history and a complicated pre- sent (Lahiri-Dutt, 2004). This is often an unrecorded or little-known area of peasant life and livelihoods; the transient nature means little or no official data are available. Informal mines may be more important numerically; for example, in Tanzania, 5 3,000 people are employed in for- mal mining operations compared to 4 500,000 in informal and artisanal mining. It has been esti- mated that in 1982 about 16 per cent of the total value of non-fuel minerals production came from mines with less than 100,000 tonnes per annum capacity (Carman, 1985). Noestaller (1987) con- cluded that 31 per cent of global mine production of industrial minerals, 20 per cent of coal and twelve per cent of metals came from small capa- city mines. The global mineral resource extraction scenario has changed drastically since the 1980s, with the last few years experiencing an extraor- dinary increase in mineral prices and production. Consequently, the contemporary picture would be much larger than these assessments. The diver- sity within this sector makes it an ungovernable space; an astonishing range of minerals is pro- duced in a range of ways by a range of commu- nities. The gravels from the riverbeds in Sylhet area of Bangladesh support at least 200,000 peo- ple. The gemstones in Sri Lanka, for example, are produced in artisanal ways, whereas the cutting and polishing factories selling the products through a gem exchange in Colombo are highly sophisticated. Similarly, manually cut stone slabs or marble from Rajasthan, India, find their way in a landscaped European garden through an intri- cate market network. Not all, but some informal mines are unauthorized and unlicensed; a signifi- cant amount can also come from scavenging on leasehold land of formal mines. Usually these mines and quarries employ little technology, and can be a repository of extremely poor people and even bonded labour. Informal mining generated up to 64 per cent of Peru’s gold production in 1991-1997. In one area of south Kalimantan, 145 unauthorized coal-mining locations produced probably the equivalent of official coal production of the region. In Pongkor inWest Java, 26,000 peo- ple make a living from gold mining. As this aspect of mineral resource extraction is often unclear in official definition, mostly unrecorded, sometimes carried on over hundreds of years through an arti- sanal tradition, sometimes exacerbated by recent developmental projects including the large mining projects, no specific data are available although the total aggregate production from these mines is impressive. Some informal mines have traditionally been operated by local artisans (such as the gold mines in the Cordilleras in the Philippines), whereas some are driven by local causes such as displacement by big mines or dams, or in a gold rush fashion operated by migrants (the ‘galampseys’ of Ghana, the ‘ninjas’ of Mongolia, ‘garimpeiros’ or wildcat gold miners of the Brazilian Amazon and‘gurandils’of Indonesia, literally meaning ‘people who leap from cliff to cliff’or ‘people who dig holes like rats’). In- ternational agencies recognize that grinding poverty has ‘led to the development of small- scale mining, which is the largest activity despite low profits and high risks’ offering a means of subsistence to people of local communities (Alfa,1999).Yet, the use of ‘scale’ in defining these mines indicates a false understanding that the ‘small’ ones are just a scaled down version of the larger ones. Martinez-Castilla (1999: 31) described such ‘traditional’ and ‘informal’ mining to root their cause in ‘the economic crisis, urban unemployment in the cities, poverty in the agricultural areas and the violence that prevailed in the 1980s gave rise to a growing social phenom- ena ^ individual, family or collective migration to zones other than the place of origin, searching for safety and economic survival’. The relations be- tween formal mining expansion and spread of unauthorized mining are also complex; environmental degradation and consequent lack of subsistence bases often act as the drivers of unauthorized informal mining. Legitimacy of informal mines and quarries de- pends on how a country’s licensing and policing systems work and how responsive the political in- frastructure is to the physical, social and econom- ic issues arising in mining regions. The regulatory system itself attributes the characteris- tic of illegality to these informal mining enter- prises. Low profits and high costs of formality ^ complex, time-consuming and expensive regula- tions that tend to favour large companies ^ as well as lack of formal property rights are major impetus towards illegitimate mining in developing countries. Thus, some informal mineral extrac- tion may take place outside the formal norms of economic transactions established by the state and formal business practices. The legitimacy spectrum is spectacular: at one end are legal and licensed but small and scattered quarries of a range of minerals such as sand, stones, gravels, fuel, gems and many other ores, and on the other end are the unauthorized mines that can again be operated by local people, migrants or mafia warlords.

### *Small Mining*

#### *ASM is a crucial sector of developing countries’ economies – they provide an income source for the impoverished.*

*Hentschel et al 02 [Thomas Hentschel (Bolivia), Felix Hruschka (Peru), Michael Priester (Germany) Projekt-Consult GmbH. “Global Report on Artisanal & Small-Scale Mining.” Mining, Minerals and Sustainable Development. International Institute for Environment and Development. No. 70. January 2002] AJ*

*The most recent ILO research undertaken on a global scale estimates that 13 million people are engaged directly in small-scale mining activities throughout the world, mainly in developing countries, and the livelihoods of a further 80-100 million people are affected by it. There is a lack of clarity over the actual number of people employed in the sector. Many factors make it difficult to ascertain the full extent of employment including: the informality of the sector, the lack of official statistics, the number of seasonal and occasional workers and definitional issues. The significance of this is demonstrated by the MMSD Country Study for China, which estimated that anything between 3 and 15 million people are involved in artisanal and small-scale mining activities in this county. In spite of these difficulties, there is no doubt that ASM is an important employment- generating sector. The following table provides estimates of the number of people working in the ASM sector in the MMSD research countries: [Table omitted] Taking the total amount of 13 million people into account the 18 MMSD country studies cover more than half of the worldwide ASM population. Comparing the total country population with the population involved in the ASM sector Bolivia, Burkina Faso, Ghana, Mali, PNG, Tanzania and Zimbabwe are the countries where the ASM sector is socially and economically most relevant. Artisanal and small-scale mining activities provide an important source of livelihood for women. Children will also be engaged in mining activities, particularly in situations of poverty, or where their families are involved in mining.*

#### *Also key to world mineral production*

*Hentschel et al 02 [Thomas Hentschel (Bolivia), Felix Hruschka (Peru), Michael Priester (Germany) Projekt-Consult GmbH. “Global Report on Artisanal & Small-Scale Mining.” Mining, Minerals and Sustainable Development. International Institute for Environment and Development. No. 70. January 2002] AJ*

*Its contribution to mineral production is significant: according to the ILO, in recent years artisanal and small-scale mines accounted for approximately 15 to 20% of the world’s non- fuel mineral production. The volume of minerals produced by the sector varies between countries, and between operations within countries. Comparison with the large-scale mining sector provides a useful indication of the scale of production. For example, while a large-scale gold mining operation might process 10,000 tonnes of ore per day, a small-scale operation would process only several tonnes per day or less. Despite the low levels of production achieved at an individual level, the often large numbers involved means that on a national scale total production can be significant, in some cases equalling or exceeding that produced by large mines. For example, in Indonesia, total production of tin by the small-scale sector is equal to that of large-scale production.*

### Pollution Link

#### Pollution control efforts restricts economic development and is too costly to succeed

Walter: Environmental Policies in Developing Countries Author(s): Ingo Walter [Seymour Milstein Chair in Finance, Corporate Governance and Ethics at the Stern School of Business, New York University.] and Judith L. Ugelow [New York University Graduate School of Business Administration.] Source: Ambio, Vol. 8, No. 2/3, Technology, Development and Environmental Impact (1979), pp. 102-109 Published by: Springer on behalf of Royal Swedish Academy of Sciences Stable URL: http://www.jstor.org/stable/4312437

Another argument is that pollution control represents an inherently capital-intensive activity. Hence, strict environmental policies in the developing countries would absorb great amounts of precisely that factor of production in most scarce supply, and its costs would therefore be much higher, in relative terms, than in developed countries where capital is relatively abundant and cheap. If there are fundamental differences in the demand for environmental quality between developing and developed countries, a parallel argument suggests that similar differences ought to exist on the supply side too-ie in the capacity of environmental resources to assimilate pollutants. First, the less advanced state of industrialization in many developing countries has resulted in ambient levels of environmental quality well above those in advanced countries. Therefore substantial additional pollution can be absorbed before the same ambient levels of air or water quality are reached-even after substantial pollution con- trol efforts in the advanced countries have led to major improvements there. This may not be true of congested urban areas like Sao Paulo, Lima, Lagos, Cairo, Bombay or Seoul, but outside these zones a good deal of environmental "slack" may still exist. Second, climatic and other factors may increase "assimilative capacity" -the ability of the environment to cleanse itself-in some developing countries beyond what exists in the advanced countries. Especially if pollution is measured by "immis- sions" (human absorption) rather than emissions or ambient levels, the existence of large sparsely populated areas in poor countries may give rise to a significant ability to sustain pollutants Fundamentally lower environmental preferences on the demand side, combined with greater or unused assimilative capacity in the developing countries should confer certain economic advantages upon them. First, pollution control expenditures (to the extent that they are not subsidized by governments) tend to be passed forward to product prices or backward to returns on productive factors, thus making pollution-intensive productions less profitable and less attractive in the marketplace. By having fewer pollution-control costs to pass along, sup- pliers of internationally traded products in developing countries should be able to achieve a competitive advantage over their industrial-country rivals in certain product lines. New pollutive investment projects in the advanced countries that are blocked or delayed for en- vironmental reasons suggest themselves for establishment in the developing countries. Both would tend to shift the international allocation of production from developed to developing countries, and from high-pollution to low-pol- lution areas, having the dual effect of promoting industrial development in the poor countries and using more effi- ciently available global environmental resources.

### Seabed Mining—China

#### Sacrificing extraction of seabed minerals weakens potential for Chinese growth right when sustained development is key **Hunter and Taylor 2011** [Tina Hunter and Madeline Taylor, Inaugural Director of the Centre for International Minerals and Energy Law at Queensland University, "Deep Sea Bed Mining in the South Pacific: A Background Paper," Center For International Minerals And Energy Law, http://www.law.uq.edu.au/documents/cimel/Deep-Sea-Bed-Mining-in-the-South-Pacific.pdf]

Economic growth in China during the global financial crisis, ranging from 6% to 9% during the ﬁrst three quarters of 2009, seems barely inﬂuenced by the worldwide recession.21 Largely non-traditional export markets have driven this growth. China, and other emerging economies, continues to look for new sources of minerals and materials to maintain this growth, and this search could bring on increased exploration for unusual resources, such as the seaﬂoor base metal slide minerals found at mid-ocean ridges and back-arc basins. The unique but ephemeral ecologies afﬁliated with these mineral occurrences imply a need to trade-off economic development and environmental protection.

### Offshore Drilling

#### Offshore oil drilling expansion key to bolster oil companies integral to economy

Al-Zayer 2007 [Fuad Al-Zayer, Head, Data Services Dept. at the OPEC Secretariat, "The future of oil and gas and the resultant challenges and opportunities for NOCs ," OPEC, 4/25, <http://www.opec.org/opec_web/en/864.htm>] **\*NOC=national oil company**

These two aspects—growth of supply from OPEC Member Countries and increased demand—clearly point to a strengthened role for NOCs in the global oil industry. NOCs will continue to be called upon to provide reliable sources of energy to the world, as they have been throughout the industry’s history. While the industry has been discussing how risky it is for NOCs to control reserves, perhaps it is worth recalling that NOCs have always met demand for every single barrel of oil. Nonetheless, we believe that NOCs are part of a larger whole and will not be able to meet the challenges without collaborating closely with IOCs and other key players. Together, oil companies—whether national or international—are the central driving force in the oil industry, right across the supply chain, from exploration and production, through processing and transportation, all the way to marketing, sale and distribution. Strong partnerships between the public and private sector are to be encouraged, especially given the challenges that the oil industry is facing. So, what are these key challenges facing the Oil & Gas Industry in general and NOCs in specific? The first has to do with technology. Oil companies must continually seek to develop new technologies, for example to enhance recovery from mature oil fields and deep offshore locations. Technological developments have already brought important changes in the industry in the past. For example, with regards to deepwater exploration, 10 years ago the limit of development in the Gulf of Mexico was about 3,000 feet. Today it is 8,000 feet. Technological advances also promise to blur the distinctions between conventional and non-conventional oils by making it easier to extract and refine tar sands. The oil industry has a history of innovation and we are confident that this will continue.

### Gold

#### Gold mining is an extractive industry and it’s part of the topic – it’s key to the economy

Oliphant 2013 [Randal Oliphant- Chairman of the World Gold Council. “The direct economic impact of gold”. PWC. January 2013] **NM**

In the midst of all this, and at a time when the ‘extractive’ industries are being widely scrutinised for their global impact, it is important to be reminded of how gold contributes so broadly to the global economy, ranging from foreign exchange earnings for gold-exporting countries to employment opportunities and tax revenues This study demonstrates this clearly; of particular note is the fact that the economic value generated has a direct and sustained impact on the local economies where gold production or consumption takes place. I believe that it is only on the basis of a more realistic and better rounded understanding of gold’s true impact on our global community that the gold industry can further develop and sustain effective partnerships with all our stakeholders. I hope that this research will contribute to the quality of this conversation and lead to further research and discussion. As part of its work as the market development organisation for the gold industry, the World Gold Council commissioned PricewaterhouseCoopers LLP (PwC) to analyse the direct economic and fiscal contribution of gold in the world’s major gold producing and consuming countries. The key measures used are gross value added (GVA), which measures the contribution to gross domestic product (GDP), employment and taxes paid. This is the first time that the available evidence on the contribution of gold has been collated. As such, the report provides a baseline assessment of gold’s direct economic and fiscal contribution. Key findings ￼ ￼Global gold supply reached 4,477 tonnes in 2012 with approximately two thirds coming from mining and one third from the recycling of gold.  The 15 largest gold producing countries, which accounted for around three quarters of global output, directly generated US$78.4 billion of gross value added (GVA) in 2012 – approximately equal to the GDP of Ecuador or Azerbaijan or 30% of the estimated GDP of Shanghai.  Large scale, formal gold mining in the top 15 producing countries directly employed an estimated 527,900 people in 2012.  Gold mining is a significant source of exports for some countries: in 2012, gold exports were 36% of all Tanzanian exports and 26% of exports in Ghana and Papua New Guinea.  Limited data are available on the scale of the contribution of gold mining to the public finances: such evidence as exists suggests that mining royalties are only a small proportion of the total fiscal contribution of gold mining companies.  The estimated GVA of global gold recycling is between US$23.4 billion and US$27.6 billion.  The GVA per tonne of recycled gold is approximately US$16 million compared with approximately US$36 million for gold produced from mines. In 2012, investment demand (consisting of bar and coin and gold-backed exchange traded funds (ETFs)) accounted for 35% of global gold demand, central bank gold purchases accounted for 12%, jewellery accounted for 43% and use in technology/manufacturing accounted for around 10% of gold demand.  The 13 largest gold consuming countries in 2012 accounted for 75% of gold used for fabrication and 81% of gold used for (final) consumption, either in the form of jewellery or investment products such as small bars and coins.  Their activities directly generate up to USS110 billion of GVA – approximately equal to the GDP of Bangladesh or half the GDP of Hong Kong or Singapore.  The direct GVA associated with the fabrication of small bar and coin is estimated to be US$13.3 billion across the top 13 consuming countries whilst the direct GVA associated with consumption is estimated to be US$38.3 billion: these estimates are not additional since the estimated GVA based on fabrication will be included in the consumption based estimate.  The direct GVA attributable to gold jewellery fabrication and consumption across the top 13 gold consuming countries is estimated at US$69.8 billion.  The direct GVA attributable to gold’s use in technology fabrication is estimated at almost US$4 billion (excluding the value generated by the retail component of these goods). Overall, the GVA associated with the supply of and demand for gold is estimated to be in excess of US$210 billion across those countries in scope of this analysis: this means it is similar to the GDP of the Republic of Ireland or the Czech Republic or Beijing.

#### Gold mining is key to the global economy

WGC 13 [World Gold Council, Market development organisation for the gold industry, "The direct economic impact of gold," <http://www.financialiceberg.com/economic_impact_of_gold.html>/]

In the midst of all this, and at a time when the ‘extractive’ industries are being widely scrutinised for their global impact, it is important to be reminded of how gold contributes so broadly to the global economy, ranging from foreign exchange earnings for gold-exporting countries to employment opportunities and tax revenues This study demonstrates this clearly; of particular note is the fact that the economic value generated has a direct and sustained impact on the local economies where gold production or consumption takes place.

### ---Africa Gold

#### Africa is a main producer of gold

The Economic Commission for Africa 2013 [The Economic Commission for Africa- The U.N. “The Economic Report on Africa”. The United Nations March 2013]NM

Historically gold production has been dominated by a few countries, namely South Africa, the US, Canada, Australia and the former Soviet Union. South Africa has been the leading producer of gold, accounting at peak levels for 60 per cent of world mine production (Mjimba, 2011). Declining levels of production in South Africa have been offset by increasing production in smaller producing countries, including Ghana and some other countries in West Africa (Bloch and Owusu, 2011). West Africa’s output (Mali, Guinea, Burkina Faso, Mauritania and Côte d’Ivoire) rose by 65 per cent in 2006–2011, to 8 per cent of global output. A total of 55 companies are involved in 123 projects in 10 West African countries, including Ghana.

### ---China Gold

#### China is the largest producer of gold

Bloomberg 2013 [Bloomberg News. “China Gold Output Seen Rising to Record by Mining Group”. Jun 24, 2013

Gold output in China, the world’s largest producer, is poised to rise almost 10 percent this year to a record even as bullion prices slump, the nation’s mining association said.¶ Output may rise to as much as 440 metric tons, said Wang Jiahua, executive vice chairman at the China Mining Association. The country, which overtook South Africa as the largest producer in 2007, had output of 403 tons in 2012, according to data from the Beijing-based group, an affiliate of the Ministry of Land and Resources.¶ Bullion extended its drop this year to 23 percent and hedge funds cut bets on a rally by the most since February after the Federal Reserve said it may slow a bond-buying program that’s been pumping stimulus into global markets. That hasn’t deterred buyers in the second largest economy, which may pass India as the largest gold consumer as early as this year as regulators in Beijing make investing in the precious metal easier.¶ “Gold’s role as a tool for wealth protection is still widely recognized in China,” Wang said in interview in Zhaoyuan, Shandong province, on June 21. “The global economy isn’t out of the woods yet -- the European sovereign debt crisis hasn’t been solved and many still wonder if Abenomics in Japan will work, so gold’s downside should be limited.”¶ Production gained 12 percent in the first four months from a year earlier to 122.89 tons, according to the producer-funded China Gold Association, which publishes estimates monthly.

### ---Peru Gold

#### Peru is the 6th largest producer of gold

KPMG 2013 [KPMG- One of the worlds largest professional service company. “Peru Country mining guide”. KPMG International 2013] NM

Peru is endowed with significant natural resources. It is the world’s second largest ¶ producer of copper, after Chile. In 2013, the Mines and Energy Ministry estimates ¶ the production of copper will reach 1.57 million tons, an 18 percent increase over the ¶ 2012 forecast. Peru is also the world’s second largest producer of silver; output until ¶ September 2012 was 2,588,775 kg, an increase of 2.55 percent over 2011.56¶ Peru is the currently the sixth largest producer of gold, after China, South Africa, Russia, Australia and the US. The Ministry plans to increase gold production to 2.5 million ounces per year by 2017

### ---Russia Gold

#### Russia is a huge producer of gold

Gold Investing News 2013 [Gold Investing News. “2012 Top Gold-producing Countries”. July 10. 2013] NM

Russia holds 5,000 tonnes of known gold reserves, according to the US Geological Survey. Production of the commodity increased by 6.8 percent year-over-year in 2012. The country’s official gold holdings are 937.8 tonnes; that makes up 9.9 percent of total foreign currency.¶ Primary Russian gold company Polyus Gold International (LSE:POLG) increased its gold production by 12 percent in 2012 compared to the year before, reaching approximately 1.68 million ounces.

### ---A2 Not Conflict with EP

#### Gold conflicts with environmental protection – it falls under the topic

Hilson 2001 [Gavin Hilson- Chair of Sustainability in Business University of Surrey. “A Contextual Review of the Ghanaian Small-scale Mining Industry”. World Buissness Council for Sustainable Development No. 76. September 2001.] NM

In Ghana, the principal environmental problems caused by small-scale mining activity are mercury pollution from gold processing and land degradation. As is the case in most developing countries, the mercury amalgamation technique is relied upon heavily as it is a cheap, dependable, portable operation for concentrating and extracting gold from low-grade ores. It is now well known, however, that the chemical, in sufficient quantities, poses a serious threat to human health and is deleterious to a wide-range of ecological entities. Once in the natural environment, mercury undergoes a change in speciation from an inorganic to a stable methylated state (MeHg) by non-ezymically and microbial action, and when ingested, eco-toxicological effects result.

## Generic Country LInks

### Peru

#### Peru econ growth solves poverty – empirically verified

Wiig and Balarezo 12 [Jorge Balarezo and Henrik Wiig. “The mighty few vs. the silent majority – Barriers to resource extraction for poverty reduction in Peru.” Norwegian Institute for Urban and Regional Research Working Paper 2012: 105. May 2012] AJ

The economic growth has contributed to poverty reduction, mainly in two ways: First, by an increase in employment, which has happened mainly in the coast, and; Second, through higher tax revenues because of the greater economic activity, allowing an increase in the budget for social programs, infrastructure investment and in general, support to the most vulnerable, which has mainly happened in the Highlands. In 2010, social spending increased by 63% over 2005, with growth in education by 62%, health and sanitation by 132%, while social protection and welfare grew by 21%. Resources for social programs rose by just over 80% in relation to 2007.

#### Peruvian economy is driven mainly by resource extraction and exporting.

Wiig and Balarezo 12 [Jorge Balarezo and Henrik Wiig. “The mighty few vs. the silent majority – Barriers to resource extraction for poverty reduction in Peru.” Norwegian Institute for Urban and Regional Research Working Paper 2012: 105. May 2012] AJ

In consequence, the poverty and extreme poverty in the urban coast and highlands were reduced, but why have both increased in the rural coast and the Amazonia? In other words, why does economic growth not equally benefit the different regions in Peru? In addition, why do the economic crises affects one area more than another does? The successful economic growth in Peru is explained by the remarkable evolution of exports in recent years. Exports have reached a record level in 2010 of U.S. $ 35 billion (See figure 3.6). While the trend in recent years shows a steady growth of the Peruvian economy, the effects of the crisis have affected those most vulnerable regions. However, the growth of exports is mainly explained by the increase of the mining sector, which operates in the highlands. Mining has benefited the population in the highlands because more resources were allocated by way of fees or royalties for exploitation of natural resources to regional governments and to attend social programs. (See table 3.3) The other three economic sectors whose growth has been significant in Peru in the last years are hydrocarbons, fishing and agro-exports. While the fishery and agro- exports activities have been developed on the coast and have benefited the population of that region, the growth within the hydrocarbons’ sector is explained by the increment of investments in the “Gas de Camisea” project in Cuzco, the offshore activities along the coast and oil extraction in other regions like the Amazonia.

#### It’s the biggest quantifiable GDP driver – also non-uniques environmental advantages since the Peruvian companies will benefit the environment.

Bastida 09 [José Luis De la Bastida. (American University School of International Service Global Environmental Policy). “Development in the Amazon Basin Countries: Alternatives to Extraction of Non-Renewable Natural Resources.” Substantial Research Paper. April 27th, 2009] AJ

Peru represents the current oil boom in the Amazon region with the development of Camisea’s project which is a huge project for exploiting natural gas. According to the Inter- American Development Bank (IDB), there are many economic benefits that Camiseas’s project will bring to Peru in the next 30 years. Peru’s GDP will get a 0.8 percent increase per year through the execution of the project. This important economic growth is seen by the Peruvian government as the key to reduce poverty, the toughest social problem. Other important benefits will be the improvement of the trade balance because of exporting high volumes of gas and importing substitution of hydrocarbon in the future, making $105.7 million profit per year between 2005 and 2015 due to 37.24% in royalties and taxes. The decrease in the unemployment rate due to new direct foreign investments in a long term causes a positive economic impact in the whole country. In addition, the influenced areas by this gas project will get additional benefits by which these towns could achieve a higher and better economic development. The electricity fee will be reduced by 10 percent in the first ten years of the projects which will help people save more (Inter-American Development Bank 5-6). On the other hand, the IDB mentions that there will be environmental benefits because power plants and the industry sector will use gas for generating electricity rather than use diesel or gasoline. In the future, the government of Peru will implement a public transportation system which will use gas like fuel. This way, use of gas in these activities will reduce the emissions volume of green house gases in big cities like Lima for instance (7). However, Peru is not depending only in Camisea’s project for getting great economic benefits in the future. As Figure 1 shows, Peru has granted millions of Hectares in the Amazon jungle for hydrocarbon exploration to the oil companies in order to extract high hydrocarbon volumes in the near future. Peru’s government is confident about the great economic benefits that the oil industry will bring to this country. “Alan Garcia, Peru’s president, dreams of a petrochemical industry that will attract at least $3 billion and create thousands of jobs by mid-2011, when he leaves office” (The Economist). The government is speeding up the oil production through the multinational companies in order to increase exports. Furthermore, “Perupetro the national oil company expects between $800m and $1 billion in investment in the coming year” (The Economist).

#### Empirics prove Peru’s growth has been high and sustainable

Cooke 13 [Cooke, Alexandra Danielle. "La Sangre de la Tierra: The Good, the Bad, and the Ugly of Foreign Direct Investment in Peru." (2013)] AJ

Peru represents a good case to analyze as a case for the effects of FOI in Latin American countries and neoliberal reforms. Under Alberto Fujimori's controversial rule starting in 1990, Peru ardently followed the tenets of neoliberalism and radically altered its policies to attract foreign direct investment. Prior to Fujimori, "annual inflation rates were higher than 7500%, GOP had decreased by 30% in three years, and guerrilla violence [aimed at large and foreign firms] was escalating throughout the country" as the country defaulted on its international debt (Bury 222-223,2005). Fujimori's policies aimed to fix these problems through orthodox neoliberal reforms that dramatically altered the environment for foreign investors. In 1991, his administration "opened all sectors of the Peruvian economy to FOI and lifted restrictions on remittances of profits, dividends, royalties, access to domestic credit, and acquisition of supplies and technology abroad" (Bury 222, 2005). In doing so, companies did not need to pay royalties for the resources they extracted nor pay tax on their profits until they had recovered their initial investments (Arellano-Yanguas 19, 2008; Arellano- Yanguas 620, 2011). The Foreign Investment Promotion Law (No. 662) included the right of foreign investors "to receive non-discriminatory treatment, freedom to conduct commercial and industrial activities and the right to transfer profits abroad" (Swedish Trade Council, 2006)1. His administration also "offered new tax-stability packages to foreign investors for terms of ten to fifteen years and implemented wide-ranging privatization programs" to open up state-owned firms to international investors (Bury 222, 2005). In the agreements, governments renounced the right to introduce later "changes to fiscal policies without companies' approval" (Arellano-Yanguas 19, 2008). In 1992, Fujimori responded to increasing national opposition by enacting a "self-coup" that closed parliament and rewrote the constitution, which highlighted the new role of foreign investors for the country's continued economic progress (Bury 222, 2005). These neoliberal reforms have largely remained intact and have arguably shaped Peru's growth over the decades. According to a country-level study by the International Monetary Fund (IMF), Peru has become "one of the most open and liberal economies-not only in Latin America but in the world" (Bury 223, 2005). The growth and optimism for Peru led the World Bank Director for the Andean region to proclaim "Peru will be the 'tiger of the Andes' and [he forecasted] sustainable growth for the next five years" (Arellano-Yanguas 10, 2008). For example in 2007, Peru's gross domestic product grew at "a real rate of 9%, which was the highest growth rate since 1994" (Gurmendi 16.1,2010). For the past decade, the "Peruvian economy has grown at an annual average rate of 6.3%" which has led to an appearance of a stronger middle class in the country (O'Grady, Dec 2011) Much of Peru's recent stability and growth is attributed to the influence of the mining sector and its wealth of reserves. In 2010, the minerals sector contribution to GOP reached a record high at 8.8% and is seen to grow (Gurmendi 17.7, 2012). Peru is expected to produce 180,000 kilograms of gold in 2015 alone, the highest producer in Latin America and Canada (Gurmendi 17.5, 2012). Peru has a potential production value of 11.3 billion USO per year in non- ferrous and ferrous minerals with copper being the most profitable metal for production value at 3.67 billion UOS per year alone (Swedish Trade Council, 2006). Between 1990 and 2000, mining products accounted for an average of 45.3% of national exports (Bury 224,2005). From 2002 to 2007, the percent of mining exports within total exports increased even more, rising from 55 to 70 percent; mining sector's contribution to internal tax revenue also increased 24% from 5 to 29 percent, as shown in the excerpt above (Arellano-Yanguas 2011,620). However, the bulk of the industry is not locally or nationally owned and has been driven by foreign interests. Overall, "more than 300 foreign mining companies have been established in Peru since 1990" (Gurmendi 17.4, 2012). In 2004, approximately 75% of the mining industry was foreign owned (Swedish Trade Council, 2006). Much of the industry is concentrated in large multinational corporations including Barrick Gold, Newmont 2001 Mining, and Xstrata Copper (Swedish Trade Council 2006). Peru was also seen as the "seventh most attractive area for investments in exploration" (Gurmendi 16.3, 2010). Between 1994 and 2001 , the mining sector was the second-largest recipient of FOI, totaling $10.7 billion (US) dollars (Bury 225). Between 2002 and 2007, the stock of foreign direct investment (FOI) in the mining sector increased by 65%, contrasting a 12% overall increase in FOI (Arrellano-Yanguas 2011 , 620). Since then, mining has become the largest recipient of FOI with more than 23.1 % of the total FDI in 2010 (Gurmendi 17.1, 2012). Investment in the mining sector alone doubled from 2009 to 2011 (O'Grady, Dec 2011).

### Mexico

#### Resource extraction alleviates poverty.

López-Feldman 07, Alejandro, Jorge Mora, and J. Edward Taylor. "Does natural resource extraction mitigate poverty and inequality? Evidence from rural Mexico and a Lacandona Rainforest Community." Environment and Development Economics 12.02 (2007): 251-269

Our findings highlight the importance of income from natural resource extraction in alleviating poverty and income inequality in rural Mexico. Results show that the number of poor individuals increases 4.2% and inequality increases 2.4% when natural resource income is not taken into consideration. Inequality in the distribution of natural resource income is relatively high. Nevertheless, an unequally distributed income source may favor the poor. For example, welfare transfers are usually unequally distributed (most households do not receive them), but they are directed disproportionately at poor households. This is the case for natural resource income in all of our samples. A 10% increase in income from natural resources, other things being equal, reduces the Gini coefficient of total income inequality by 0.2% in Mexico. In the South-Southeast region and in Frontera Corozal, a 10% increase in natural resource income reduces the Gini coefficient by 0.36% and 0.11%, respectively.

### Brazil Oil

#### Brazilian economy is dependent on hydrocarbons.

Bastida 09 [José Luis De la Bastida. (American University School of International Service Global Environmental Policy). “Development in the Amazon Basin Countries: Alternatives to Extraction of Non-Renewable Natural Resources.” Substantial Research Paper. April 27th, 2009] AJ

On the other hand, Brazil as a country in economic transition is eager to extract more hydrocarbons to meet the energy consumption demanded by its growing industrial sector which is the backbone of its economic growth. According to the National Center for Policy Analysis, Brazil’s almost absolute dependency on oil imports, was as high as about 80 percent in the 1970s, but has come to an end in 2007. This independence from hydrocarbons imports has been achieved trough production of ethanol and a significant increase in domestic oil production. However, production of ethanol could not meet the expectations for energy demand since the 1980s. Therefore, Brazil’s government has placed particular emphasis on boosting domestic oil production since then (Shurtleff 1-2). The Energy Information Administration (EIA) states that “Brazil increased domestic crude oil production around 9 percent a year from 1980 to 2005, to 1.6 million barrels of oil per day...most notably, in 2007, Brazil announced a huge oil discovery off its coast that could increase its 14.4 billion barrels of oil reserves by 5 billion to 8 billion barrels, or 40 percent” (2). Nonetheless, offshore oil reserves are not the only ones that Brazil’s government wants to develop. Oil and gas reserves were also found in western Amazon’s untouched remote areas. Thus, “the National Petroleum Agency had planned to invest $36 million to look for oil and gas in Acre, an Amazon state bordering Bolivia [in 2007]” (Associated Press). Furthermore, Brazil’s government plans to develop the Jurua oil/gas reservoir discovered in 1978 in Rondonia state. Hydrocarbons produced from this reservoir would transport through the dense and remote jungle to Porto Velho, the capital of Rondonia where a refinery would be built. The oil/gas production of this field is expected to begin by 2010 (Rother, Vast Pipelines in Amazon Face Challenges Over Protecting Rights and Rivers ). Furthermore, the Brazilian government has developed another project of great magnitude in the Amazon basin (Amazon State) in order to produce gas (Urucu gas field) and meet the energy demand in the city of Manaus (1.5 million people). The Urucu project which is a 400mile pipeline is considered one of the most remote energy infrastructures in the Amazon Basin (Llana). This pipeline transports 10.5 million cubic meters of natural gas per day through the fragile and very sensitive ecosystems, from the huge gas field into the Urucu oil province in the Amazonas state to the same state capital of Manaus (Llana); (Lemos). The Brazilian government’s plan is to build a significant petrochemical complex in Manaus that may require $1.1 billion in the investment for processing and taking advantage of this natural gas. The economic benefits that the government expects from this Urucu-Manaus project are to supply local resources for energy generation in Manaus, and boost production of petrochemical products. Part of the petrochemical complex would be focused on urea and ammonia production that would be sold in the north of Brazil. This helps farmers in this region to avoid buying fertilizers from other regions which makes these products more expensive (Lemos). According to Suframa, a Brazilian government investment agency, “the annual revenues potential after [implementation of the petrochemical complex] should exceed $1.6 billion, with ethylbenzene topping the list with about $700m a year” (Lemos). These high profits that would be generated by the hydrocarbon industry in the coming years could improve the economy even more for Brazil and achieve an outstanding economic growth. This could be a great opportunity for Brazil to use these economic resources for social development. As a matter of fact, Brazil’s president Luiz Inacio Lula da Silva has mentioned that he “wants the oil profits to be used directly to benefit the population. Its stated priorities are education, fighting poverty and social security” (Osava).

### Ecuador

#### Resource extraction is THE driver of economic growth in Ecuador.

Bastida 09 [José Luis De la Bastida. (American University School of International Service Global Environmental Policy). “Development in the Amazon Basin Countries: Alternatives to Extraction of Non-Renewable Natural Resources.” Substantial Research Paper. April 27th, 2009] AJ

Projections for investments in the oil sector in Ecuador are very high for the coming years. Ecuador will invest US$1 billion in oil and gas exploration projects until 2010 with the help of neighboring countries such as Brazil for developing new reserves (Wertheim, Petrobras Set to Invest $1 Billion in Ecuador 39). In January 2008, the Minister of Mines and Oil, Galo Chiriboga, stated that the government has as a priority investing US$301.9 million in the oil sector. This investment would generate direct cash inflow of US$1.624 billion for the government in the next decade. In addition, these oil revenues could fulfill the expectations for achieving a high economic growth (elcomercio.com).

### Amazon

#### Amazon basin resource extraction key to economic health of the region.

Bastida 09 [José Luis De la Bastida. (American University School of International Service Global Environmental Policy). “Development in the Amazon Basin Countries: Alternatives to Extraction of Non-Renewable Natural Resources.” Substantial Research Paper. April 27th, 2009] AJ

Crucial political changes in most of the Amazon Basin countries are encouraging their integration for the improvement the economic growth and the eradication poverty in this region. Commitments among these governments aim at the industrialization and eradicating dependency on hydrocarbons in order to achieve a higher economic growth and create a stronger region. Thus, countries of the Amazon region and the rest of South America are attempting to develop megaprojects which can increase the energy demand in the region. Venezuela’s president Hugo Chávez has suggested the building of 5,000 mile pipeline which would cross the Amazon rainforest from Caracas to Buenos Aires, and the cost of the project would be around $24 billion (Rother, Vast Pipelines in Amazon Face Challenges Over Protecting Rights and Rivers ). According to president Chávez, “the pipeline should be the locomotive of a new process of integration whose objective will be to defeat poverty and exclusion.'' (Rother, Vast Pipelines in Amazon Face Challenges Over Protecting Rights and Rivers ) On the other hand, Bolivia and Brazil have developed a bilateral hydrocarbon project by which gas produced in Bolivia (Rio Grande) will be transported to Brazil (Mato Grosso) through a 1,958 miles pipeline (346 miles in the Bolivian side and 1,612 miles in the Brazilian side) with a maximum throughput capacity of 1.06 billion cubic feet per day. This private project has been considered the most expensive in Latin America (Center for Energy Economics 1-2); (Passos). The cost of this project was $2 billion approximately and it was financed by multilateral organizations like the World Bank and Inter-American Development Bank (Passos). Moreover, this project is part of the plan for energy integration in the region by which governments want to reduce costs of energy and increase availability of hydrocarbons in the region. The main purpose of this project in the case of Bolivia has been to increase gas exports for receiving direct economic benefits. The original plans were to increase gas exports by 25%. However, gas exports have been increasing more than 25% in the last year (The World Bank). The World Bank statistics show that Bolivia’s hydrocarbon exports reached 52.15% of the total exports in 2006 (The World Bank Group). Before construction of the international gas pipeline in 1998, Bolivia had an economic growth of 1.91%; however, after starting operation of the pipeline, Bolivia’s economic growth reached 5.92% in 2004. In addition, the economic benefits received by hydrocarbon between 1999 and 2004 were $2 billion (McGuigan 32-37). Finally, the loan proposal for this project issued by the Inter-American Development Bank stated that ...construction of the pipeline will lead to a substantial increase in the use of natural gas in Brazil with positive long term impacts on the environment, industrial competitiveness, and Bolivia's trade balance. In both countries the project will contribute to the advance and consolidation of economic and institutional reforms in the energy sector, opening up concrete opportunities for greater private sector participation” (Inter-American Development Bank 2). Finally, we have been able to appreciate the significant and great economic benefits that the exploitation of non-renewable natural resources has generated in the Amazon basin countries. Billions of dollars have been invested and other billions of dollars have been earned in return by extraction of hydrocarbons. Most of these governments have seen how their GDP has reached high levels in a short term because of the hydrocarbon exploitation. Thus, policies and regulations have been created for protecting and reinforcing the hydrocarbon sector. In addition, aggressive future exploration and development plans are part of the economic development strategies in these countries. However, this scenario of richness and bonanza is not worth it when fragile and sensitive ecosystems in the Amazon jungle have to be sacrificed and destroyed for achieving this economic growth. Environmental protection in the Amazon basin is not a priority when exploitation of non-renewable natural resources is present in this place. Instead of implementing and reinforcing environmental protection policies for protecting those ecosystems, environmental protection is seen as a threat for the development of the hydrocarbon industry. Thus, the destruction of ecosystems in the Amazon basin is increasing everyday with fatal consequences. The next section of this chapter is focused on environmental damage and destruction caused by the hydrocarbon industry in the Amazon jungle.

### Afghanistan

#### Resource extraction is key to Afghanistan’s economy and security

Bezhan 13 – your author [Frud Bezhan , “Mineral Wealth Could Harm, Not Aid, Afghanistan's Future”. Radio Free Europe, Radio Liberty, October 2, 2013. http://www.rferl.org/content/afghanistan-mining-industry-oil-resources-economy/25124104.html. RP 11/6/13]

Afghanistan's mineral wealth is closely tied to its future prospects. If managed well, the theory goes, the mining sector could be the backbone of a sustainable economy, fund national security, and stabilize the government. But the country's natural resources could just as easily undercut Kabul's efforts to stand on its own by exacerbating corruption, forcing a sell-off of prized assets to foreign investors, and becoming yet another source of violent conflict. Based on its handling of the mining sector, observers say, it looks like Afghanistan is on course to join the raft of countries afflicted by the "resource curse." The Mines and Petroleum Ministry estimates that Afghanistan boasts oil, gas, iron ore, copper, and gold deposits worth about $1 trillion. Kabul hopes to generate about $4 billion a year in mining and energy revenue over the next decade. Yet in 2012, the two sectors brought in less than $150 million combined. Stephen Carter, the Afghanistan campaign leader at Global Witness, a London-based nongovernmental organization that investigates links between natural resources, conflict, and corruption, says the government has lacked control over its resource wealth. "The sector, as a whole, is operating in a very uncontrolled way. There's no oversight," Carter says. "We fear that there is this sense that 'we must exploit, we must get this going as quickly as possible.' That's understandable, but if that comes at the expense of taking shortcuts in the control of the sector, I think it will be seen as a very poor decision in the future." Cash Cow? The Afghan government has made the development of its commercial mining sector a top priority. Kabul is counting on the extraction of natural resources to bring in cash and create jobs as the bulk of foreign combat troops leave at the end of 2014 and international assistance winds down. But there are already worrying signs that the competition over natural resources could spill over into very real fighting between rival ethnic and political groups.

#### Now is a key time to build Afghanistan’s economy – economic strength is a better way to solve conflict than the aff – mining is the key internal link

Foust 12 [(Joshua, fellow at the American Security Project and member of the Young Atlanticist Working Group, focuses on the role of market-oriented development strategies in post-conflict environments, worked for the U.S. intelligence community, where he focused on studying the non-militant socio-cultural environment in Afghanistan, and a columnist for PBS Need to Know) “Why We Should Focus on Economics in Afghanistan, Not on Fighting” The Atlantic Apr 5] AT

If there's a magic formula for success in Afghanistan, we haven't found it. Building up tribal militias and local security forces, our standard militarized efforts, don't seem to be working. After nearly 11 years of military intervention, we've learned that developing and stabilizing a war-torn country requires more than just military operations. While military action has its role, what Afghanistan needs is not more militias, more armies, or more fighting -- what it needs is more politics and more economics.. Relying primarily on traditional military operations to keep the war in Afghanistan's chugging along hasn't worked. Maybe it's time to slowly begin pulling Afghanistan off of life support -- militarily and economically. The only way to ensure the country will be able to stand on its own two feet would be to strengthen its political and economic legs. When NATO forces withdraw from the region, and they will, stability will rest upon the Afghans' ability to create confidence in the government, lasting commercial opportunities for the private sector, and jobs for its citizens. So maybe that's where we should be focusing. The Afghan government certainly cares. Minister of Commerce Anwar-Ul-Haq Ahady visited Washington DC this week, meeting diplomats and giving speeches on economic transition within the country. The Afghan economy is in shambles. The billions in aid have not established sustainable systems and supply chains. Too much of the economy is dependent on foreign handouts instead of local entrepreneurship. Often, projects are started only to be halted due to security issues and ballooning costs. Development is heavily constrained by electricity and transit problems, such as the lack of good rail connections, which forces most transportation to be conducted via road (where it is easily intercepted and robbed or bombed). The process to establish legislation governing commerce, from bankruptcy to competition, has is still struggling. There are new laws, but they're difficult to enforce. Private companies and foreign investors don't yet feel comfortable spending heavily on development within the country. Afghanistan's relations with its neighbors are problematic as well. Landlocked, the nation has long relied upon its border-countries for transporting goods in and out. In recent years, however, thousands of containers have been suspended in the Pakistani port in Karachi. The Afghanistan-Pakistan Transit Agreement was mean to ease transit, but it hasn't. If regular Afghans can't be shown the utility of a market economy and a democratic government, the war will be lost. And right now, we are losing that war. It's not just about fighting the Taliban or even training enough Afghan troops. It's about attaining the confidence of the people in the system as a whole. Instead of fighting the weaknesses of the Afghan state, we should play to Afghanistan's strengths. The country has great potential for economic growth. Foreign investors are showing increased interest in the country as rule of law improves. More companies are looking to establish a presence, especially regarding infrastructure. And many sectors show incredible opportunity, most notably the mining sector. But none of this can happen without NATO shifting their rhetoric and actions to focus more broadly on political and economic security. The foundation needs more support, as troops will soon begin to withdraw. At that point, it is still unclear how the country will do.

### Central Africa (Conflict Minerals)

#### Restrictions on mining minerals causes massive poverty and suffering in central Africa

Aronson 11 - David Aronson. “How Congress Devastated Congo.” http://www.nytimes.com/2011/08/08/opinion/how-congress-devastated-congo.html?\_r=0. August 7, 2011

Unfortunately, the Dodd-Frank law has had unintended and devastating consequences, as I saw firsthand on a trip to eastern Congo this summer. The law has brought about a de facto embargo on the minerals mined in the region, including tin, tungsten and the tantalum that is essential for making cellphones.¶ The smelting companies that used to buy from eastern Congo have stopped. No one wants to be tarred with financing African warlords — especially the glamorous high-tech firms like Apple and Intel that are often the ultimate buyers of these minerals. It’s easier to sidestep Congo than to sort out the complexities of Congolese politics — especially when minerals are readily available from other, safer countries.¶ For locals, however, the law has been a catastrophe. In South Kivu Province, I heard from scores of artisanal miners and small-scale purchasers, who used to make a few dollars a day digging ore out of mountainsides with hand tools. Paltry as it may seem, this income was a lifeline for people in a region that was devastated by 32 years of misrule under the kleptocracy of Mobutu Sese Seko (when the country was known as Zaire) and that is now just beginning to emerge from over a decade of brutal war and internal strife.¶ The pastor at one church told me that women were giving birth at home because they couldn’t afford the $20 or so for the maternity clinic. Children are dropping out of school because parents can’t pay the fees. Remote mining towns are virtually cut off from the outside world because the planes that once provisioned them no longer land. Most worrying, a crop disease periodically decimates the region’s staple, cassava. Villagers who relied on their mining income to buy food when harvests failed are beginning to go hungry.

### Africa---Links

#### African economic growth is dependent on resource extraction

Lazare 13 [Sarah, staff writer for Common Dreams, “World Bank Admits: 'Economic Growth' in Africa = Resource Extraction, Inequality, Poverty: New report shows so-called growth is 'bleeding Africa dry’,” 10/8/2013]

The World Bank is admitting that so-called economic growth in Africa, rooted in privatization and resource extraction by foreign companies, is not benefiting the vast majority of the continent's people. This comes from an institution has been widely criticized for pushing these very policies of 'growth.' Despite Africa's much-vaunted 'growth' over the past decade, deep poverty and inequality are “unacceptably high and the pace of reduction unacceptably slow,” reads [*Africa's Pulse*](http://www.worldbank.org/content/dam/Worldbank/document/Africa/Report/Africas-Pulse-brochure_Vol8.pdf), an analysis released Monday by the World Bank. "Almost one out of every two Africans lives in extreme poverty today," and by the year 2030, a vast majority of the world's poor will be located in Africa, the report finds. Francisco Ferreira, Acting Chief Economist for the World Bank Africa Region, states, "Africa grew faster in the last decade than most other regions," with a steadily climbing GDP noted in the report. Yet, this so-called growth is highly dependent on relatively few commodities sold for export, including oil, metals, and minerals. "Nearly three-quarters of countries rely on three commodities for 50 percent or more of export earnings," the report reads, with countries like Angola and Nigeria depending on oil for up to 97 percent of all exports. "[H]igh dependence on one or a few commodities makes Africa’s resource-rich countries vulnerable to sharp movements in prices of these commodities,” explains Punam Chuhan-Pole, Lead Economist of the World Bank’s Africa Region and author of Africa’s Pulse. Furthermore, this wealth is siphoned off to foreign investors, with 2012 exports to the EU and U.S. reaching $148 billion, and exports to BRIC countries reaching $144 billion that same year. Overall privatization is skyrocketing, with Gross fixed capital formation rising from 16.4% of GDP in 2000 to 20.4% in 2011, indicating the expansion of business assets. "Higher economic growth does not automatically translate into higher poverty reduction," the report states. "[The report's Findings are] unfortunately pretty typical of what we've seen in global terms, particularly in the global south, where increases in economic growth overlook how citizens are impacted and reinforce the power of elite elements," said leading scholar Stephen Zunes in an interview with *Common Dreams*. "Economic structures are still rooted in neo-colonial model." "Historically, the World Bank has pushed big mega-development projects that basically increase the rate at which you take stuff out of country, and increased the push for exports of raw materials and increases in consumer goods that only elites can afford," he added. "The problems of resource extraction in Africa are many," [writes](http://allafrica.com/stories/201111040814.html?viewall=1) Godwin Uyi Ojo in*Pambazuka News*. "Collectively, they are bleeding Africa dry."

#### Resource extraction is key to future development in African countries

JICA 13 [(JICA Research Institute) “Development Challenges in Africa Towards 2050” Chapter 7: Natural Resources. No date – last date cited is in 2013] AT

For many African countries the natural resource sectors (oil, gas and mining – the extractive industries) ¶ are important parts of the economy. If harnessed right, these natural resources can constitute a huge opportunity for development. By exploiting its natural resource base, in essence converting its ¶ underground minerals and agricultural potential into human and physical capital to create inclusive ¶ growth, Africa could by 2050 become factory and granary to the world, just as Britain and the US were the factories and the US and Argentina the granaries in the second half of the 19th Century, followed by China and Australia in the 20th¶ Century. ¶ This is a vision of economic convergence for Africa’s resource-rich economies, where these countries ¶ “catch up” with other high and middle income countries to narrow the gap in per capita income and ¶ development outcomes. Over the next 40 years the African continent could build on its natural resource ¶ and agricultural production base to become an important supplier of intermediate and finished goods ¶ and agricultural products, relying on a diversified private sector and a high degree of economic and ¶ geographic integration. Africa’s factories and agribusiness processing centers, linked by world class ¶ regional infrastructure (rail, road, electricity and information and communication technology (ICT)) to its raw material production centers and farms, could transform these inputs into intermediate and finished products, from where they would be exported to clients on the continent and across the world. By 2050 Africa could also possess a significant service sector, particularly in natural resource extraction-related ¶ activities such as mining finance, technical design, and environmental and social analysis. The continent could be home to major multinational corporations operating in the extractive industries across the globe.

#### Resource extraction is key to African economies

JICA 13 [(JICA Research Institute) “Development Challenges in Africa Towards 2050” Chapter 7: Natural Resources. No date – last date cited is in 2013] AT

Africa and extractive industries remain inextricably linked. In many African countries, the natural resources sector constitutes a significant proportion of the formal economy. Africa is also an important ¶ player on the world stage for many mineral resources. In part this is because of its historical legacy as ¶ the continent where many of today’s extraction techniques were first developed (copper and cobalt in ¶ Zambia, gold, platinum and diamonds in South Africa, bauxite in Guinea, liquefied natural gas in Algeria, ¶ phosphates etc.) and the African continent still boasts very rich deposits of ores that are much higher ¶ grade than elsewhere on the planet (bauxite in Guinea, copper in the Democratic Republic of Congo, ¶ gold in Ghana, iron ore in Liberia and Guinea, phosphates in Morocco, etc.). ¶ Extractive industries have shaped the economies of many post-colonial African countries: Nigeria’s oil ¶ and gas industry has defined the country’s past four decades of economic development and has left ¶ significant governance and social development problems in its wake. The Democratic Republic of ¶ 118 ¶ ¶ Congo’s copper, cobalt, diamonds and coltran67¶ have fueled armed conflict and political instability in the ¶ east of the country and elsewhere. Guinea’s fabulous bauxite reserves enabled it to survive epic ¶ macroeconomic mismanagement since independence in 1956.68

### Africa---Impacts

#### Empirical evidence indicates that an economically weak Africa will devolve into cycles of wars.

Anyanwu 02 [John C. Anyanwu, Principal Research Economist Development at African Development Bank, “Economic and Political Causes of Civil Wars in Africa: Some Econometric Results,” December 2002]

Table 1 shows the descriptive statistics for Africa for the period, 1960-1999, showing also war episodes (civil war outbreak) and peace episodes (no civil war). O[that] [o]ut of the 78 war outbreaks during the period, 40 (or 51.28 percent) occurred in Africa. As the table shows, the African conflictepisodes started at approximately the mean income of the continent but slightly less than the mean income of the peace episodes. With respect to the second economic variable - the growth rate of the economy in the preceding period – we discover that war episodes were preceded by lower growth rates. This result is consistent with evidence that the lower is the rate of growth, the higher is the probability of unconstitutional political change (Alesina et al, 1996). The descriptive statistics also give support to the opportunity cost hypothesis: conflict episodes were on average more dependent upon primary commodity exports (and its squared term) than the peace episodes. This indicates that increases in war outbreak were partly due to rebel responses to financial opportunities in Africa contrary to the findings of Collier and Hoeffler (2000, 2001, 2002). We have investigated whether civil wars in Africa have economic and political causes. The model used is based on the Collier-Hoeffler “greed” and “grievance” theory in which rebels will conduct a civil war for “loot-seeking” and “justice-seeking” reasons. Using logit models the propositions were tested empirically. In particular, six variables, GDP per capita growth rate in the preceding period, the amount of natural resources (proxied by primary commodity exports-GDP ratio), peace duration, democracy, social fractionalization, and population size are significant and [is a] strong determinants of the onset of civil wars in Africa. These results are guideposts for policy to reduce civil war onset in Africa. First, African countries and their development partners need to take measures to accelerate economic growth given that rapid economic growth will gradually make rebel recruitment harder. However, given that such high growth rates cannot be realized without external assistance, it is imperative that Africa’s development partners and the international community as a whole need to increase aid to the Continent. This is more so when it has been shown that aid is effective in accelerating economic growth. Second, the international community should take measures (including appropriate sanctions) to make it more difficult for rebel organizations to sell the commodities (such as conflict diamonds), which they loot. Third, African countries need to diversify their economies away from dependence upon primary commodity exports. Appropriate economic reforms and policies would therefore be [are] imperative in this direction (see Collier, 2000). Fourth, to make loot-seeking rebels unpopular, African governments should transparently use revenues from primary commodity exports to finance effective basic social services, including education and health. However, economic development must be complemented by political development and liberalization to attain an amplified effect. The pace of political reforms toward better governance and improved political rights should be accelerated in Africa given that our results have shown that democracy is a useful tool to reduce the onset of civil war in the Continent. African countries may also need to check population increase through a combination of economic and social as well as medical tools given the finding that the risk of civil war is proportional to the size of the population.

#### African conflicts escalate into nuke war- drawing in world powers

Deutsch 2 [Dr. Jeffrey Deutsch, Founder of the Rabid Tiger Project: An Organization Devoted to Political Risk Consulting and Related Research, Contributing Editor for Russian Politics, and PHD in Economics from GMU, 11-18-02, [http://www.rabidtige...letterv2n9.html](http://www.rabidtigers.com/rtn/newsletterv2n9.html), ACC: 4.25.05, p. online]  
The Rabid Tiger Project believes that a nuclear war is most likely to start in Africa. Civil wars in the Congo (the country formerly known as Zaire., Rwanda, Somalia and Sierra Leone, and domestic instability in Zimbabwe, Sudan and other countries, as well as occasional brushfire and other wars (thanks in part to "national" borders that cut across tribal ones, turn into a really nasty stew. We've got all too many rabid tigers and potential rabid tigers, who are willing to push the button rather than risk being seen as wishy-washy in the face of a mortal threat and overthrown. Geopolitically speaking, Africa is open range. Very few countries in Africa are beholden to any particular power. South Africa **is a major exception in this respect - not to mention in that she also probably already** has the Bomb.Thus, outside powers can more easily find client states there than, say, in Europe where the political lines have long since been drawn, or Asia where many of the countries (China, India, Japan. are powers unto themselves and don't need any "help," thank you. Thus, an African war can attract outside involvement very quickly. Of course, a proxy war alone may not induce the Great Powers to fight each other. But an African nuclear strike can ignite a much broader conflagration, if the other powers are interested in a fight. Certainly, such a strike would in the first place have been facilitated by outside help - financial, scientific, engineering, etc. Africa is an ocean of troubled waters, and some people love to go fishing.

#### Nuclear war causes extinction

Wickersham ’10 - University of Missouri adjunct professor of Peace Studies and a member of The Missouri University Nuclear Disarmament Education Team, author book about nuclear disarmament education (Bill, 4/11/10, “Threat of ‘nuclear winter’ remains New START treaty is step in right direction.” <http://www.columbiatribune.com/news/2010/apr/11/threat-of-nuclear-winter-remains/>)

In addressing the environmental consequences of nuclear war, Columbian Steve Starr has written a summary of studies published by the Bulletin of the International Network of Engineers and Scientists Against Proliferation, which concludes: “U.S. researchers have confirmed the scientific validity of the concept of ‘nuclear winter’ and have demonstrated that any conflict which targets even a tiny fraction of the global arsenal will cause catastrophic disruptions of the global climate.” In another statement on his Web site, Starr says: “If 1% of the nuclear weapons now ready for war were detonated in large cities, they would utterly devastate the environment, climate, ecosystems and inhabitants of Earth. A war fought with thousands of strategic nuclear weapons would leave the Earth uninhabitable.”

That turns climate stability

Robock and Slanina 9 – Prof Climatology @ Rutgers, Alan, Head of Environmental Research @ Netherlands Energy Research Foundation, Sjaak, "Nuclear winter." In: Encyclopedia of Earth. Eds. Cutler J. Cleveland http://www.eoearth.org/article/Nuclear\_winter

Nuclear winter is a term that describes the climatic effects of nuclear war. In the 1980's, work conducted jointly by Western and Soviet scientists showed that for a full-scale nuclear war between the United States and the Soviet Union the climatic consequences, and indirect effects of the collapse of society, would be so severe that the ensuing nuclear winter would produce famine for billions of people far from the target zones. There are several wrong impressions that people have about nuclear winter. One is that there was a flaw in the theory and that the large climatic effects were disproven. Another is that the problem, even if it existed, has been solved by the end of the nuclear arms race. But these are both wrong. Furthermore, new nuclear states threaten global climate change even with arsenals that are much less than 1% of the current global arsenal. What's New Based on new work published in 2007 and 2008 by some of the pioneers of nuclear winter research who worked on the original studies, we now can say several things about this topic. New Science: \* A minor nuclear war (such as between India and Pakistan or in the Middle East), with each country using 50 Hiroshima-sized atom bombs as airbursts on urban areas, could produce climate change unprecedented in recorded human history. This is only 0.03% of the explosive power of the current global arsenal. \* This same scenario would produce global ozone depletion, because the heating of the stratosphere would enhance the chemical reactions that destroy ozone. \* A nuclear war between the United States and Russia today could produce nuclear winter, with temperatures plunging below freezing in the summer in major agricultural regions, threatening the food supply for most of the planet. \* The climatic effects of the smoke from burning cities and industrial areas would last for several years, much longer than we previously thought. New climate model simulations, that have the capability of including the entire atmosphere and oceans, show that the smoke would be lofted by solar heating to the upper stratosphere, where it would remain for years. New Policy Implications: \* The only way to eliminate the possibility of this climatic catastrophe is to eliminate the nuclear weapons. If they exist, they can be used. \* The spread of nuclear weapons to new emerging states threatens not only the people of those countries, but the entire planet. \* Rapid reduction of the American and Russian nuclear arsenals will set an example for the rest of the world that nuclear weapons cannot be used and are not needed. How Does Nuclear Winter Work? A nuclear explosion is like bringing a piece of the Sun to the Earth's surface for a fraction of a second. Like a giant match, it causes cities and industrial areas to burn. Megacities have developed in India and Pakistan and other developing countries, providing tremendous amounts of fuel for potential fires. The direct effects of the nuclear weapons, blast, radioactivity, fires, and extensive pollution, would kill millions of people, but only those near the targets. However, the fires would have another effect. The massive amounts of dark smoke from the fires would be lofted into the upper troposphere, 10-15 kilometers (6-9 miles) above the Earth's surface, and then absorption of sunlight would further heat the smoke, lifting it into the stratosphere, a layer where the smoke would persist for years, with no rain to wash it out. The climatic effects of smoke from fires started by nuclear war depend on the amount of smoke. Our new calculations show that for 50 nuclear weapons dropped on two countries, on the targets that would produce the maximum amount of smoke, about 5 megatons (Tg) of black smoke would be produced, accounting for the amount emitted from the fires and the amount immediately washed out in rain. As the smoke is lofted into the stratosphere, it would be transported around the world by the prevailing winds. We also did calculations for two scenarios of war between the two superpowers who still maintain large nuclear arsenals, the United States and Russia. In one scenario, 50 Tg of black smoke would be produced and in another, 150 Tg of black smoke would be produced. How many nuclear weapons would be required to produce this much smoke? It depends on the targets, but there are enough weapons in the current arsenals to produce either amount. In fact, there are only so many targets. Once they are all hit by weapons, additional weapons would not produce much more smoke at all. Even after the current nuclear weapons reduction treaty between these superpowers is played out in 2012, with each having about 2,000 weapons, 150 Tg of smoke could still be produced. Here are movies of the smoke transport from three different scenarios: These new results were made possible by the use of a state-of-the-art general circulation model of the climate. For the first time a complete calculation of not only atmospheric but also oceanic circulation was conducted, including the entire atmosphere from the surface up through the troposphere, stratosphere, and mesosphere, to an elevation of 80 kilometers (50 miles). Previous calculations had not been run for the 10 year simulations here, and had not allowed the smoke to be lofted into the upper stratosphere, where it would persist for many years. We calculated the climate response to the three scenarios illustrated above. Compared to the global warming observed for the past century, all three scenarios show massive cooling. Compared to the climate change for the Northern Hemisphere for the past 1,000 years, the famous hockey stick diagram, the climate change from any of these scenarios is unprecedented. Compared to climate change for the past millenium, even the 5 Tg case (a war between India and Pakistan) would plunge the planet into temperatures colder than the Little Ice Age (approximately 1600-1850). This would be essentially instantly, and agriculture would be severely threatened. Larger amounts of smoke would produce larger climate changes, and for the 150 Tg case produce a true nuclear winter, making agriculture impossible for years. In both cases, new climate model simulations show that the effects would last for more than a decade. Analogs Support the Theory Nuclear winter is a theory based on computer model calculations. Normally, scientists test theories by doing experiments, but we never want to do this experiment in the real world. Thus we look for analogs that can inform us of parts of the theory. And there are many such analogs that convince us that the theory is correct: \* Cities burning. Unfortunately, we have several examples of cities burning, firestorms created by the intense release of energy, and smoke being pumped into the upper atmosphere. These include San Francisco as a result of the earthquake in 1906, and cities bombed in World War II, including Tokyo, Dresden, Hamburg, Darmstadt, Hiroshima, and Nagasaki. \* The seasonal cycle. In the winter, the climate is cooler, because the days are shorter and sunlight is less intense. Again, this helps us quantify the effects of reduction of solar radiation. \* The diurnal cycle. At night the Sun sets and it gets cold at the surface. If the Sun did not rise tomorrow, we already have an intuitive feel for how much cooling would take place and how fast it would cool. \* Volcanic eruptions. Explosive volcanic eruptions, such as those of Tambora in 1815, Krakatau in 1883 and Pinatubo in 1991, provide several lessons. The resulting sulfate aerosol cloud in the stratosphere is transported around the world by winds, thus supporting the results from the animations above. The surface temperature plummets after each large eruption, in proportion to the thickness of the stratospheric cloud. In fact 1816, following Tambora, is known as the "Year Without a Summer," with global cooling and famine. Following the Pinatubo eruption, global precipitation, river flow, and soil moisture all reduced, since cooling the planet by blocking sunlight has a strong effect on reducing evaporation and weakening the hydrologic cycle. This is also what the nuclear winter simulations show. \* Forest fires. Smoke from large forest fires sometimes is injected into the lower stratosphere. And the smoke is transported around the world, also producing cooling under the smoke. \* Dust storms on Mars. Occasionally, dust storms start in one region of Mars, but the dust is heated by the Sun, lofted into the upper atmosphere, and transported around the planet to completely enshroud it in a dust blanket. This process takes a couple weeks, just like our computer simulations for the nuclear winter smoke. \* Extinction of the dinosaurs. 65,000,000 years ago an asteroid or comet smashed into the Earth in southern Mexico. The resulting dust cloud, mixed with smoke from fires, blocked out the Sun, killing the dinosaurs, and starting the age of mammals. This Cretaceous-Tertiary (K-T) extinction may have been exacerbated by massive volcanism in India at the same time. This teaches us that large amounts of aerosols in Earth's atmosphere have caused massive climate change and extinction of species. The difference with nuclear winter is that the K-T extinction could not have been prevented. Policy Implications The work on nuclear winter in the 1980's, and the realization that both direct and indirect effects of nuclear war would be a global catastrophe, led to the end of arms race and the end of the Cold War. In response to the comment "In the 1980s, you warned about the unprecedented dangers of nuclear weapons and took very daring steps to reverse the arms race," in an interview in 2000, Mikhail Gorbachev said "Models made by Russian and American scientists showed that a nuclear war would result in a nuclear winter that would be extremely destructive to all life on Earth; the knowledge of that was a great stimulus to us, to people of honor and morality, to act in that situation."[1] Since the 1980's, the number of nuclear weapons in the world has decreased to 1/3 of the peak number of more than 70,000. The consequences of regional-scale nuclear conflicts are unexpectedly large, with the potential to become global catastrophes. The combination of nuclear proliferation, political instability, and urban demographics may constitute one of the greatest dangers to the stability of society since the dawn of humans. The current and projected American and Russian nuclear arsenals can still produce nuclear winter. Only nuclear disarmament will prevent the possibility of a nuclear environmental catastrophe.

### Ghana

#### Ghana economy is dependent on resource extraction – key to sustained exports of gold and cocoa.

Polus et al 13 [Kopiński, Dominik, Andrzej Polus, and Wojciech Tycholiz. "Resource curse or resource disease? Oil in Ghana." African Affairs 112.449 (2013): 583-601] AJ

Economic diversification, combined with strong macro-economic performance, also suggests that Ghana is less likely to succumb to the resource curse as oil production proceeds. Although Ghana has long been plagued by instability and stop-and-go growth, today it is one of the fastest growing economies in sub-Saharan Africa, with a growth rate of 13.4 percent in 2011 and an average growth rate of 11 percent over a fi ve-year span (2007 – 11). 17 Importantly, a signi fi cant part of this growth can be attributed to non-oil sectors, suggesting that the booming economy is not entirely an oil- driven phenomenon. The economic stability achieved recently also suggests that the country will be able to survive the disruptive effects of oil production. In fl ation has been curbed at single digit fi gures (8 percent in 2010), which has been ac- companied by falling interest rates (13.5 percent in December 2010). It has also kept a relatively high investment ratio (over 30 percent since 2006). In 2010, Ghana jumped 10 places to rank 67th in the Doing Business report prepared by the World Bank, and is listed as one of the most determined reformers in Africa. 18 The growing con fi dence among investors in the strength of the economy is mirrored by a bonds issue that was vastly over- subscribed. 19 Despite a growing budget de fi cit, which in view of next year ’ s election is likely to increase further, it is fair to say that the Ghanaian economy demonstrates a relative strength, compared to many African peers, and that its recent performance gives grounds for optimism. 20 Moreover, with the onset of oil production, Ghana has a more diversi fi ed economy, with no particular product holding a dominant position either in its production or export composition. Ghana has never been as highly de- pendent on resource extraction as many other African countries. The gold sector, once the country ’ s fl agship, rebounded only recently. 21 At its peak in the mid-1990s, gold mining amounted to a relatively modest 45 percent of export earnings and 5.6 percent of the GDP. 22 Cocoa, the other com- modity that has played a pivotal role in the country ’ s history, represented 24 percent of export earnings in 2010. With this export composition, Ghana is likely to avoid one of the most disruptive features of the ‘ curse ’– the vulner- ability of export earnings owing to global price fl uctuations of primary com- modities. Whereas the prices of some commodities are known to move in synchronized fashion along a similar trajectory, this is not always the case. For instance, gold prices surged in September 2011 as a result of the weak- ening of the dollar. Simultaneously, however, there was a dip in crude oil prices, due in part to the anticipated resolution of the political stalemate in Libya. 23 These inverse correlations provide some cushioning against price Volatility Further bene fi ts can be gained through the development of the gas sector, since, in addition to crude oil, Jubilee and other oil fi elds store signi fi cant quantities of natural and petroleum gas. According to GNPC estimates, Ghana has 159 trillion cubic feet (TCF) of natural gas reserves, 24 making Ghana the second largest natural gas holder in Africa, alongside Algeria (159 TCF) and just below Nigeria (180 TCF).

## Energy—Generic

### Africa Energy

#### Natural gas growth and oil production is key to Africa's future and stabilizing current growth--aff crushes economy

Pungong et al 2012 [Elias, Africa Oil & Gas Sector Leader at Ernst&Young, "Natural gas in Africa: The frontiers of the Golden Age," Ernst&Young, http://www.ey.com/Publication/vwLUAssets/Natural\_gas\_in\_Africa\_frontier\_of\_the\_Golden\_Age/$FILE/Natural\_Gas%20in\_Africa.pdf]

Africa is currently a small but growing part of the global gas picture, and its prospects are even brighter still. With relatively open access and generally attractive leasing terms, Africa’s oil and natural gas resources have long attracted a broad spectrum of investors — from the large integrated, international majors, to the large and small independent exploration and production (E&P) companies, as well as national oil companies (NOCs) from outside the region. North Africa has historically led the continent’s gas sector, but recent growth has come from the huge associated gas developments that have accompanied the West African offshore oil boom. With the huge recent discoveries in offshore East Africa (in particular, Mozambique and Tanzania), the future of African gas is, however, expected to shift eastward. Development of Africa’s unconventional gas resources — largely in North Africa and South Africa — could substantially add to the potential new supply. Natural gas development holds tremendous opportunity for Africa, and it can be a strong “prime mover” for broader economic and social development. But those opportunities come with risks and challenges — some that are beyond the control of local/regional industry and government, others that while daunting, can be managed, but will need resolute and dedicated attention. Most importantly though, the opportunities for Africa presented by the Golden Age of Gas are enormous and the challenges and risks can be addressed and mitigated, if not fully overcome.

### India Energy

#### Continued supply and extraction of energy resources such as oil and coal are crucial to India’s economy—demand is spiking now

Energy and Resources Institute 2009 [The Energy and Resources Institute, "Energy Resources and India's Security," October 1]

Energy security is embedded in the larger relationships between nations and how they interact with each other. Ensuring energy supplies is a critical component of any country's foreign security policy. Some of the main issues that were raised at the conference under this thematic were as follows: security implies ensuring requisite quantities and types of energy to a nation against any kind of disruption, be it physical or economic. The degree of energy security possessed by a nation is the excess of actual or assured availability over demand at an acceptable price. Energy security is a function of many interactive factors such as energy requirement based on present consumption levels and expected economic growth, the availability of energy resources at competitive prices and so on. India's Energy Concerns [include] [1.] High import dependence for fossil fuels [2.] A quadrupling of energy demand by 2030 [3.] Increasing energy and peak deficits in the power sector [4.] 400 hundred million people without access to energy. [5.] Few indigenous resource endowments. A distinction between energy security and the security of energy needs to be highlighted. The security of energy encompasses the military and quasi- military means adopted to address the vulnerabilities of energy supply. This emphasises the safety and security of transport routes, particularly for imported resources, as well as indigenously produced sources of energy, as also of its storage and distribution networks. The continuous and assured supply of energy in various forms, particularly oil, natural gas and coal, is of critical importance for a growing economy like India's. In the next few decades, India's import dependency will increase. With it, energy security for India will increasingly imply the ability to ensure adequate supplies, which in turn will be dependent on India being able to deliver these resources on Indian ships. Therefore, adequate infra- structure to ensure the reliable supply of energy to India is an important way in reducing the country's energy security vulnerabilities. Energy security is not only a concern for energy importing countries, but also energy producing and exporting countries. Energy producers for instance are even more worried about the security of demand and their markets. Energy security for developing countries as well as developed countries poses different challenges. For example, in India, there are still nearly 400 million people who do not have access to energy. Even where there is access to energy, there are severe power shortages. Particularly in areas which are in the border regions of India, power shortages can translate into security threats by fuelling divisive feelings amongst disaffected people. Fossil Fuels Economic growth is constrained without access to oil, whether it is in the context of an interdependent globalised economy or the agricultural revolution which fed a huge labour force.

#### Chinese competition increasing now—Indian economy depends on the ability to continue extraction at competitive prices. Aff wrecks capacity to increase production

Energy and Resources Institute 2009 [The Energy and Resources Institute, "Energy Resources and India's Security," October 1]

In the coming decades, competition for oil and gas between countries is likely to emerge in three areas: the oceans (the Arctic sea), the Antarctic region and the outer space. For both oil and gas, the largest increases in production over 2006- 2030 are expected to come from West Asia, which will continue to be the largest producer. Though the overall supply situation of fossil fuels to 2030 does not evoke concerns, it is important to point out that several factors can dampen supply prospects for coal, oil and gas. For example, the future of coal is ambiguous given the uncertainties surrounding the climate change debate, exportable surplus for coal originates largely from just three countries: Australia, Indonesia and South Africa. Also, China's increased supply of coal will increasingly be used domestically. Oil price volatility remains a big concern; whereas for piped natural gas, there are uncertainties regarding transportation and infrastructure. India-China Competition There is resource competition not only in terms of access to the world's dwindling resources due to rising demand, but also for capital. Resources to be used need to be extracted, refined and transported for example. India and China will constitute a large share of incremental energy demand. For oil in particular, a global scramble is quite likely, whereas for coal, India and China, as the single largest consumers, will need to scout for resources in a geographically concentrated market. Much of China's coal demand can be met indigenously as is evident from the large incremental domestic coal supply. China's share in global demand for oil will grow from 9% to 16% and its share in global oil supply will remain constant at 4%. Similarly, for gas too, China is expected to explore the global market. Therefore, India with its growing demand for energy and a large and growing dependence on imports for oil, gas as well as for coal, will have to contend with China in the global energy market. In the case of oil, competition between India and China will cause particularly pronounced concerns.

### China Energy

#### Energy resources are key to China's economy

IEA 2012 [IEA, "Oil and Gas Emergency Policy - China 2012 update," International Energy Agency, http://www.iea.org/publications/freepublications/publication/China\_2012.pdf] Although coal is the dominant energy source in China, accounting for some 70% of the country’s Total Energy Consumption (TEC) in 2009, oil and gas are also essential energy sources. Despite strong growth in consumption of oil, its share of TEC fell from 22% in 2000 to 18% in 2009, as coal use rose even faster to meet burgeoning demand for electricity. A strong policy push boosted natural gas supplies, particularly to residential customers, so that the share of natural gas doubled from 2% in 2000 to 4% in 2009. China is one of the important oil and natural gas producing countries in the world. In 2010, China’s crude oil production exceeded 4 million barrels per day (mb/d). However, with strong and sustained economic growth, its demand for oil has also increased, from 4.6 mb/d in 2000 to over 8 mb/d in 2009. In the New Policy Scenario (NPS) of the IEA World Energy Outlook (WEO) 2011, China’s primary oil demand rises to 12.2 mb/d in 2020. Although China is now the world’s fifth largest oil producer, the country has been a net oil importer since 1993. In 2011, China imported over 5 mb/d of crude oil, accounting for about 54% of its total demand. More than 50% of the total crude oil imports came from counties of the Middle East. To prevent a potential shock to the economy caused by an oil supply disruption, the Chinese government has been steadily pushing building an oil stock reserve system. China has completed four stockpiling facilities with a capacity of around 103 mb in the first phase of its Strategic Petroleum Reserve (SPR) plan, and has begun construction of its second phase, which comprises eight storage sites that will reportedly have a combined capacity of around 207 mb. Among them, two sites were completed in the second half of 2011 and the Tianjin site is reportedly set to be completed in 2012. According to unofficial reports, the remaining four SPR-II sites are expected to become operational by 2013. The third phase is expected to boost total SPR capacity to approximately 500 mb by 2020. Stockholding obligations for industry may be considered, but are not now a formal part of the emergency response system, authorising legislation for which is still in preparation. Domestic natural gas production surged from about 27 bcm in 2000 to 96.8 bcm in 2010, or a compound average growth of 14% annually. In 2010, domestic supplies met 90% of domestic consumption. As natural gas use has grown, China started importing LNG in 2006 and became a net importer in 2007. In 2010, gas demand reached around 106 bcm (290 mcm/d), while it is estimated to have increased to 130 bcm in 2011. China imports natural gas both in the form of LNG and through gas pipelines. By country, China imported LNG from Australia (5 bcm), Qatar (3.2 bcm) and Indonesia (2.7 bcm) in 2011. The key elements of China’s approach to gas security are to further promote domestic production from conventional and unconventional resources, to expand reserves, to construct gas storage facilities, and to accelerate construction of LNG terminals and interregional gas pipelines in order to strengthen supply of gas imports. Although China does not have government gas stocks or mandatory industry stocks, the government promotes the expansion of commercial inventories. So far, some storage facilities have been built for coping with seasonal demand fluctuations.

## Mining Links

### China

#### Mining key to Chinese economy—

McMahon et al 2010 [Naveet McMahon, Douglas Robinson, Matthew Albert, Tom Coughlan, Catherine Ford, Publisher, Mergermarket (Remark) Asia at Financial Times Director of Sales, Remark Asia at Mergermarket, "A review of outbound Mining M&A activity from China," Deloitte, http://www.mergermarket.com/PDF/Deloitte\_MINING\_English.pdf]

Despite the global financial crisis, Chinese acquirers have increasingly looked at foreign Mining targets, with 2009 witnessing a record- breaking number of transactions, with 33 announced deals worth US$9.2 billion, coming to market, a marked increase on the 20 deals seen in 2008. Looking ahead, this trend looks set to continue with a combined 73% of survey respondents expecting dealmaking in the wider Chinese Mining sector to increase over the coming 12 months. More pertinently, 46% of respondents expect outbound cross-border activity to drive this increase. While M&A is undertaken for a number of different reasons, the need for Chinese companies to secure supplies of commodities is undoubtedly the principal driver of this recent wave of activity. Indeed, 85% of respondents expect this to be at least a significant driver of outbound Mining sector deal flow over the next 12 months with 54% considering it the most important reason for such transactions. Furthermore, domestic demand for such resources is set to rise further as China’s economic growth story continues, reinforced by the fact that 92% of respondents consider the country’s economic outlook to be either positive or very positive. One such respondent qualified this viewpoint by saying: “There is huge internal demand within China and this will drive economic growth going forward.” Looking at specific sub-sectors within the Mining space, demand for iron ore is particularly significant with it rightly being considered as one of the key building blocks of the Chinese economy given the scale of the construction and infrastructure projects currently being undertaken there. Aside from crude oil, iron ore is perhaps the most important commodity in the world economy and therefore, it is unsurprising that 69% of respondents expect metal ore companies to see the greatest levels of M&A investment in 2010.

### Russia

#### Russian mining is key to the economy--increasing production essential for growth stability. Aff triggers protectionism and destroys key trade

Visser 2011 [Wilfred Visser, Senior Manager at Newmont Mining, M.Sc in Mining Engineering and a B.Sc in Applied Earth Sciences from Delft University of Technology, "Russia: Silent Mining Giant ,"  Business Of Mining, 6/16, http://thebusinessofmining.com/2011/06/16/russia-silent-mining-giant/]

Russia is growing, and mining is needed to fuel this growth. Russian annual GDP growth varied from 4.7% to 8.1% in the period 2001-2008, outpace[ed]ing growth in the western world (Figure 2). The economic crisis has hit Russia hard, making the economy shrink by almost 8% in 2009; recovering by 3.8% in 2010. However, growth is expected to outpace western growth in the coming years. As a result of the high growth of the domestic economy, various industry development could take shape. If productivity increases, the potential of Russian reserves will enable a combination of exports and domestic sales, enabling rapid growth. However, if the Russian companies do not succeed in significantly increasing capacity, productivity will be too low to support both domestic and foreign growth. In this case export restrictions to protect the national growth could be instituted.

#### Mining is key to the Russian economy

Australian Mining Technology Pavilion 2012 [The Australian Mining Technology Pavilion, "Mining," Mining World Russia, http://www.austmine.com.au/Portals/25/Content/News/Attachments/Press%20Release%20Mining%20World%20Russia%2024-26%20April%202012\_8feb12.pdf]

Russia remains one of the world's largest mineral producers, accounting for 20% of nickel and cobalt production, 5-7 % of coal and iron ore production, and also a large share of the output of some non-ferrous and rare earth metals, platinum group metals, diamonds, apatite and potassium salts. Russia also contains important reserves of nickel, gold, silver, platinum group metals and diamonds. “Intierra Resource Intelligence, the world’s leading supplier of business intelligence to the mineral resources sector, revealed that Russian companies have reached US$550 billion in foreign mining interests held,” said Robert Trzebski, Executive Officer at Austmine. Intierra’s research showed Russian-held resources at operating mines were now in the vicinity of US$325 billion, whilst new deposits were worth US$225 billion. “The mining industry is strategically essential and is one of the most important industries in the Russian economy,” said Mr Trzebski. Besides ongoing modernisation in the existing mining industry and refining companies that are active in the mineral sector, a comprehensive effort is currently taking place to prospect for new mineral deposits. Optimisation of mineral production remains the key task for economic advancement in Russia. For mining suppliers, this creates excellent business opportunities in terms of equipment, technology and services in delivering solutions for cost-efficiency, productivity and safety of operations. “Russian mining companies are aware of the Australian expertise but have limited direct exposure to Australian mining technologies and services,” said Mr Trzebski.

### Latin America

#### Mining and resource extraction in general is key to the Latin American economy

Jiménez 2013 [Claudia Jiménez, Executive Director of the Association for the Large-Scale Mining Sector – SMGE, Ambassador Extraordinary and Plenipotentiary of Colombia, "The Great Debate: Mining in Latin America ," Journal Of International Affairs, 4/26, http://jia.sipa.columbia.edu/online-articles/great-debate-mining-in-latin-america/]

As a strategy to achieve economic growth and overcome poverty, the specialist recommends building on strengths. In Latin America, these strengths are the natural resources (removable and non-removable). As a consequence, the big challenge is to improve the life quality of the population living in a country that is rich in biodiversity but is considered poor. It is well known that the prosperity of Latin America is based mostly in the richness of its lands. In addition, the presence of a responsible industry assures for these countries licit resources, employment, safety, social responsibility and social infrastructure. Antofagasta in Chile is an extraordinary example of overcoming poverty, through efficient investment of the tax and royalties revenues of the mining. The strengths of the natural resources are literally a “golden opportunity.” As an example, in terms of innovation — not just through STI — the extractive industry encourages new technologies as new drilling systems, environmental innovation, new technologies for the creation of biofuels, productive linkages, promotion of the small and middle mining, optimization of green business, and others. The Latin American region has been experiencing a boom of investment in the mining sector, as predicted by the Copper Study Center of Chile (CESCO); Latin America would receive $250.000 million by 2020, which according to the Metals Economic Group represents approximately 26% of the total world mining investment. This makes Latin America the first destination for mining investment. It would be irresponsible not to encourage part of the development of the region

### Argentina

#### Argentina is set for rapid economic growth--mining and industrial frameworks are all present and development will happen **EMJ 2010** [EMJ, "Argentina and the Mining Opportunity," Engineering And Mining Journal, 10/22, http://www.e-mj.com/features/583-argentina-and-the-mining-opportunity.html?showall=1#.U0y7zPldWSo]

With significant mines developed over the last 15 years and immense geological potential, the Argentinean mining sector has set the foundations to become one of the world’s major mining countries. The task ahead is to convince Argentineans that this is good news. It was only in the 1990s that the Argentinean government created the conditions for the development of a modern mining sector. Under the government of Carlos Menem, the legislative passed rules designed to liberalize the economy and attract foreign investment. The main milestones in these first years were the startups of Bajo de la Alumbrera (1997), a gold-copper mine today operated by Xstrata, and AngloGold Ashanti’s Cerro Vanguardia gold-silver mine, which has been in production since 1998. Since then, the sector has had its ups and downs. First, there was the financial crisis in 2001-2002 that brought the country’s economy to its knees and saw five different presidents rule Argentina in just a month. After that Barrick’s Veladero, a $2 billion investment, became the country’s largest gold mine. In 2008-09 it was the turn of Western markets to collapse, leaving the sector short of the necessary cash to invest in exploration. Exploratory drilling in Argentina decreased from the record of 668,000 m in 2008 to 570,000 m in 2009, according to the Argentinean Chamber of Mining Entrepreneurs (CAEM). This last crisis, however, did not prevent the opening of several new mines in 2008-09 including Yamana Gold’s Gualcamayo (gold), Pan American Silver’s Manantial Espejo (silver-gold), Silver Standard’s Pirquitas (silver) and China Metallurgical Group Corp.’s (MCC) Sierra Grande iron ore mine. Moreover, the huge bi-national Pascua Lama project is now under construction by Barrick; Brazil’s Vale is making a multi-billion dollar investment in potash; and as the world seems to have left the worst part of the subprime crisis behind, the prospects on the exploration side look much better now, with renewed dynamism from junior companies already noticeable during 2010.

### Chile

#### Mining is key to Chile's economy and continued growth—current framework and balance is essential to maintaining high foreign investment

CACC 9 - Chilean and American Chamber of Commerce 2009 [The Chilean and American Chamber of Commerce, "Chile’s Mining Industry ," http://www.amchamchile.cl/UserFiles/File/Mining%20Industry.pdf]

Throughout Chile’s history, mining has consistently been a leading industry in the country. The 1990s marked the beginning of a boom in Chile’s mining industry, especially in copper mining, principally due to FDI in the sector. In this time period Chile had one of the fastest growing economies in the world and mining accounted for 8.5% of the GDP and 47% of exports (source: Encyclopedia of the Nations). Thanks to continual amendments of the mining industry framework and an investor-friendly environment, the industry is still strong and profitable for investors. Moreover, the ongoing establishment of new technologies, including those aiming to take better care and advantage of Chile’s natural resources, promises the mining sector will continue to prosper in years to come. Industry Highlights Thanks to a large amount of copper resources, progressive legislation and a healthy investment environment, Chile has become the copper mining capital of the world, produc[es]ing over 1/3 of the global copper output. In 2006, copper accounted for 55.6% of Chile’s exports and approximately 8% of the GDP. Some estimates conclude that if indirect impacts were also considered, mining would represent more than 13% of the GDP (source: BHP Billiton). In 2005, the production value of both nonferrous and ferrous minerals was US$24.4 billion; Copper led the category with a production value of $19.6 billion, followed by molybdenum ($3.5 billion), gold ($566 million) and iron ore ($352 million) (source: Swedish Trade Council). Chile claims about 40% of the world’s known copper deposits, which are principally found in the country’s Northern deserts and in the Andean region (source: JSTOR). The value of Chile’s mining production is expected to grow by about 8%-10% per year through 2010 (source: Swedish Trade Council). The primary mining regions comprise the northern deserts and the Andean Cordillera. The “La Escondida” Mine in the northern Atacama Desert is the world’s largest open-pit copper mining operation as well as the largest contributor to Chile’s copper output. Also, Chile’s National Copper Corporation, Codelco, is the world’s largest copper-producing company, refining 2,187 metric tons of fine copper in 2006 alone. Along with its status as the largest producer of copper, Codelco is also known to have the largest copper reserves in the world, numbering about 77 million metric tons and representing about 20% of total reserves worldwide (source: Codelco). Codelco, just like the rest of the Chilean mining industry, continually surveys to find more mining opportunities for the future. The mining market collects abundant foreign investments; according to the Foreign Investment Committee, in 2006 mining was the largest recipient sector of FDI, receiving US$1,159,211,000 in investments. Furthermore, mining projects in Chile are expected to generate approximately US$18.5 billion in investments between 2006 and 2015. This is not only due to the size and prestige of Chile’s mining sector, but also to the legal environment surrounding the industry; the Business Monitor states that ‘Chile's mining laws are perceived to be more investment friendly and globally aligned than most of its Latin American peers.’ The Chilean government strongly supports foreign investment in the sector and has modified its mining industry laws and regulations to create a favorable investing environment for foreigners.

#### Copper is uniquely key

Schildermans 10 [SCHILDERMANS, Peter. The Chilean copper industry towards a more ecologically durable exploitation? Année Académique : 2010-2011] AJ

A lot of actors are involved in the debate about the ecological impact of copper. All of these actors ¶ find each other in Chile, where the export of copper is of huge importance for the national economy. ¶ Chile is by far the most important producer of mined copper in the world, providing 36% of the ¶ world’s supply in copper ores and concentrates (International Copper Study Group 2009). In 2008 ¶ 49% of Chile’s total trade income was provided by the export of copper1¶ . These figures show exactly ¶ how important copper is for Chile and by consequence how much stronger the paradox is for this ¶ country.

#### Chilean economy key to world economy

Gaiser 13 [T. Elliot Gaiser. Chile's Strong Economy: A Case of Positive Policy and Freedom. Heritage Foundation. 1/23/13] AJ

Chile continues to lead Latin America in 2013 in both economic growth and economic freedom. These positive outcomes reflect well on the solid policy choices being implemented by the Chilean government of President Sebastián Piñera. Making it onto the 2013 Index of Economic Freedom’s list of top 10 freest countries in the world for the second year in a row, Chile was also ranked No. 1 on Forbes India’s list of 7 Hottest Emerging Markets. And at the beginning of the year, Bloomberg confirmed that Chile’s economy grew by 5.5 percent in last year—faster than predicted, and significant growth during a period when much of the world has seen only paltry economic expansion. Chile has seen booming exports, particularly in the mining sector of the economy. But unlike other nations with significant exports of commodities, Chile has successfully diversified its economy away from over-dependence on those exports while using property rights to avoid the destabilizing corruption and over-regulation that have afflicted “oil-cursed” neighbors such as Venezuela. According to Caiman Valores, a prominent Latin American investment consultant, Chile is an interesting investment location. It is stable, has solid regulations and low levels of corruption coupled with a particularly strong banking and finance sector…Chile is an important addition to any investor’s portfolio, providing geographic diversification along with access to probably the most advanced economy in Latin America. With such ringing endorsements, the mining industry alone now predicts it will see the addition of $100 billion in foreign investments in the next decade and plans to sell an estimated $55 billion in copper in 2013. The government’s outstanding management of the mining sector, combined with a stable currency, led Standard & Poor’s to upgrade Chile’s bond rating to AA- last month, a rating considered to be on par with nations like Japan and China, according to The Financial Times. In short, Chile’s economy is on the rise, and policy is the reason. Commenting on the upgrade, S&P said that they “expect the government to continue making gradual progress on microeconomic reforms to bolster the long-term competitiveness of the economy.”

### Bolivia

#### Bolivian mining is key to the economy--exports and sector growth prove

Columbia Encyclopedia 2012 [The Columbia Encyclopedia, "Bolivia," Columbia University Press, http://www.infoplease.com/encyclopedia/world/bolivia-economy.html]

Despite the importance of its tin, silver, and other mines and its large reserves of natural gas and crude oil, Bolivia is one of the poorest nations in Latin America and still lives by a subsistence economy. A large part of the population makes its living from the illegal growing of coca, the source of cocaine; a government eradication program begun in the late 1990s has depressed the economy in those areas where coca-growing was important. Soybeans, coffee, cotton, corn, sugarcane, rice, and potatoes are the other major crops; timber is also important. Industry is limited to mining and smelting, petroleum refining, food processing, and small-scale manufacturing. The tin industry has received increasing competition from SE Asia, and as a result several tin mines have closed. Although Bolivia has much hydroelectric potential, it is underutilized. Bolivia's mineral wealth furnishes the bulk of its exports, although natural gas, soybeans, and crude petroleum are also important. Petroleum products, plastics, paper, aircraft and parts, foods, automobiles, and consumer goods are imported. Brazil, Argentina, the United States, and Peru are the chief trading partners. Bolivia is a member of the Andean Community, an economic organization of South American countries.

### MIDEAST

### Turkey

#### Mining key to Turkey’s economy

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Turkey Profile Turkey is one of the world’s richest countries in mineral wealth. There are over 4,400 mineral deposits in the country. It holds 72% of world boron reserves and 40% of world marble reserves. Today 53 different minerals are produced in the mining sector. Mining Industry The Turkish Government has reformed the process for mining licence applications. Many foreign and local companies are conducting gold exploration and mining ventures are continuing to commence. There are more than 1,175 tons of gold reserves known, and 240 tons of ready-for-operation gold reserves in Turkey. Some companies, which hold the licences for new manganese and copper mining prospects, are seeking financing and potential partners with strong financial capabilities. For the development of new mines, Turkey will need shovels, excavators, trucks, conveyor systems, continuous mining equipment, draglines, coal gasification systems, gold and silver mining and processing equipment, mineral processing equipment, drilling equipment and mine survey systems.

### Saudi Arabia

#### Mining has emerged as a key industry for Saudi Arabia’s economy

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Saudi Arabia Profile Largest economy in the Middle East (by nominal Gross Domestic Product). Actively pursuing economic diversification away from oil. Non-oil sectors, including mining, have emerged as key drivers of growth in recent times. Robust growth outlook, with a government investment program of at least US$400 billion from 2009-2014. A substantial proportion will be spent on infrastructure development, including rail and port facilities. Mining Industry A large proportion of the mineral resource is contained in the Arabian-Nubian Shield, an exposure of Precambrian rocks on the flanks of the Red Sea. The first minerals to be exploited on a commercial scale are gold, phosphates and bauxite: Gold: Mahd Ad Dahab (western region, underground), Al Hajar (central region, open cut), Bulghah (open pit), Sukhaybarat (north-west, processing plant), Al Amar (south-west of Riyadh, underground), Al Masane. Phosphate: Al Jalamid. Bauxite: Az Zabirah. Copper mineralisation is widespread in the Arabian Shield. Deposits include Jabal Sayid, Kutam (copperzinc), Jabal ash shizm (copper-zinc). Tantlum deposit at Ghurayyah. Mining laws Saudi Arabia has one of the most modern and developed mining laws in the Middle East and Northern Africa region.

### AFRICA

### Algeria

#### **Mining key driver of Algerian growth**

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Algeria [is] 11th largest country in the world in terms of land area. Actively pursuing economic diversification away from oil and gas by encouraging domestic and foreign investment. Non-oil sectors, including mining and metal industry, have emerged as key drivers of growth in the last 10 years. Mining industry [is] highly prospective, particularly for base metals, iron and gold: Iron ore: Potential ore reserves estimated at 3.5 million tonnes, located in the South-West (Mecheri Abdelazizi, Gara Djebilet). [are] said to be the largest reserves in the Arab World.

### Angola

#### Copper and diamond mining key to economy

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Mining Industry Known mineral reserves include: Diamonds: Diamond mining remains the most significant mining operation in Angola. The country has become one of the largest diamond exporters in the world. Most diamond mines are found in the areas of Lunda Norte and Lunda Sul. Copper: Before the civil war, copper mining was a significant contributor to the Angolan economy and opportunities remain in this field for investors. Copper mining has occurred largely in the Mavoio region.

### Botswana

#### Mining key to Botswana economy

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Mining contributes over one-third of the country’s Gross Domestic Product. Botswana has become a leading producer of diamonds based upon the quality and grade of its diamonds. Mining has grown significantly in Botswana since independence. This is attributed to significant development opportunities that have arisen with new discoveries. MINING INDUSTRy Known minerals include diamonds (production expected to range 30-35 million carats for the next 10 years), copper, nickel, cobalt, gold, soda ash and coal. MINING LAwS In Botswana, mineral rights are vested in the state. A new Mines and Minerals Act was passed in 1999. The new mining laws are geared to ensure stability, deregulation and government transparency.

### South Africa

#### Stability of the mining sector and minimization of government intervention is key to South African economy--investment rising now

Vecchiatto 2/3 [Paul Vecchiatto, Political correspondent for Business Day newspaper, "Peace in mining sector is key to economic investment, says Manuel ," BusinessDay, 2014, http://www.bdlive.co.za/business/mining/2014/02/03/peace-in-mining-sector-is-key-to-economic-investment-says-manuel]

MINISTER in the Presidency Trevor Manuel called for peace in South Africa’s industrial and mining sectors, saying it was central to the country’s economic wellbeing and to attract foreign investors. Mr Manuel made the call when addressing a function hosted by law firm Edward Nathan Sonnenbergs and the Australian Trade Commission on the fringes of the Mining Indaba on Monday. He said that developing countries were going through a very difficult time as the US proceeded with the tapering of its quantitative easing monetary policy that was causing exchange rate volatility. And, he said, the exchange rate volatility was directly affecting the speed of decision making. "Those are some of the things that I think keep my colleague Finance Minister Pravin Gordhan awake at night," he said. Mr Manuel said that added to this pressure was the importance of securing "industrial peace that will lead to mining investment that is fundamental to South Africa’s development." He said that from 1987, social compacts or agreements reached between mining and industrial companies and the then emerging trade unions, had the idea of peace as the central theme. He went on to talk about how two years ago the issue of rock drillers’ pay had become the focus of attention how the salaries of South African rock drillers were compared with those of their Australian counterparts. Mr Manuel said that debate introduced pressures into the industrial environment and this resulted in "the tragedy of Marikana" on August 16 2012. Referring to the Association of Mining and Construction Workers but without naming it, Mr Manuel said: "You now have a breakaway (union) trying to earn its spurs in an exceedingly difficult environment …. Talk to the most militant of unions and their desire is for industrial peace because it is in the interests of the country."

### Burkina Faso

#### **Recent growth in the mining sector key to economic stability—all institutional factors are in place**

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

PROFILE There has been a major drive to promote minerals. In recent years $100 million has been invested, and over 130 prospecting licences have been granted. [Burkina Faso] is recognised as one of the most stable countries in the region for mining with a supportive government. “The biggest growth in new projects over the last two years has been in exploration for gold in West Africa, which accounts for about one third of new projects started in 2009-10, with Burkina Faso having the single biggest increase in West Africa” (Ann Harrap, Australian High Commissioner to South Africa, 3 March 2011). MINING INDUSTRy Known mineral reserves include deposits of gold, manganese, bauxite, copper, nickel, lead, zinc, limestone and marble

### Mozambique

#### Mining key to economic growth in Mozambique

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Mozambique Profile Located on the east coast of southern Africa, Mozambique is the gateway to many countries, including north-eastern South Africa, Swaziland, Zambia, Zimbabwe and Malawi. It is a stable country with a growing economy, driven mainly by agriculture and new investments in the natural resources sector. Substantial reserves of coal, mineral sands and tantalum as well as gold and semi-precious stones exist. “Development corridors” have been created at Maputo, Beira and Nacala to facilitate access to the African interior via road and rail with a growing supply of electricity. Further rail investments are planned in order to enable dramatically increased volumes of coal to reach Asian markets. Mining Industr y Reserves of coking and thermal coal are located in the central province of Tete, with other smaller and less explored basins in the provinces of Manica and Niassa. If projected growth is realised, Mozambique will be the second-largest exporter of seaborne coal in the world by 2020. Heavy mineral sands reserves are found in the northern province of Nampula (currently being mined by Kenmare) and in the southern province of Gaza. Gold reserves exist in the central province of Manica, close to the Zimbabwe border, and in the northern province of Niassa. Tantalum, precious and semi-precious stones are located in the central province of Zambezia.

### Namibia

#### **Namibia has potential for uranium mining growth—now is key**

Dasnois 2012 [Nicholas Dasnois, Political analyst at the Governance of Africa’s Resources Programme, "Uranium Mining in Africa: A Continent at the Centre of a Global Nuclear Renaissance," South African Institute Of International Affairs, September]

In Africa, Namibia’s potential as a global supplier of uranium is the most significant, at 8% of world production: its two operating mines – Rossing and Langer Heinrich – between them could provide 10% of global output. In the decade ending in 2010 uranium production in Namibia increased by 60% (from 2 714 tU to 4 496 tU)10 with an estimated 284 200t/U in reserve, making up 4.5% of the world total.11 Ownership of Rosing Uranium Ltd (Rossing mine) is shared between the Anglo-Australian multinational Rio Tinto Group (68.6%), the Iranian government (15%), the Industrial Development Corporation of South Africa (10%) and the Namibian government (3%). Paladin Energy Ltd, based in Subiaco, Western Australia owns Langer Heinrich; and the French-owned industrial group Areva NC will extract uranium from the Trekkopje mine from 2013. Namibian uranium deposits are also attracting attention from Chinese, Indian, Russian, and other Australian interests.12

#### Mining key to Namibian economy

Sikhakhane 2012 [Reggie Sikhakhane , "Mining a key component in Namibia’s economy ," Mining Weekly, 5/18, http://www.miningweekly.com/article/mining-a-key-component-in-namibias-economy-2012-05-18]

Namibia’s mining sector generated $1.6-billion in mining export earnings during 2011, contributing about 11% to the country’s gross domestic product, with the country’s buoyed ura- nium mining sector forecast to be the single largest mining sector in the country’s mining industry by 2015, states a report by business research and consulting firm Frost & Sullivan. In the same year, however, growth in Namibia’s mining sector was curtailed by lower production outputs at the country’s two largest mines, diversified mining group Rio Tinto’s Rössing uranium mine and Namdeb’s diamond mine. Namdeb is a joint venture between the Namibian government and diamond corporation De Beers. This was a result of depleted diamond reserves in the onshore mines, which caused a marked decline in the contribution of the diamond mining sector to the Namibian economy since 2000. “The depletion of diamond reserves, resulting in a declined contribution by the diamond sector, is owing to the global economic downturn, which affected revenues from the diamond mining industry in 2008. This also led Namibia’s government to diversify the country’s revenues from diamond revenues,” says Frost & Sullivan mining research analyst Christy Tawii. She points out that the depletion of diamond reserves in Namibia gave way to the development and expansion of Namibia’s uranium mining industry as an alternative source of revenue. “The prospects of Namibia becoming a uranium mining hub have since increased with the government’s sustainable economic growth objective, identifying uranium as a key commodity,” notes Tawii. Frost & Sullivan’s mining report states that Namibia is currently the world’s fourth-largest uranium producer and Africa’s largest uranium exporter, with uranium production in the country expected to quadruple in the near term, owing to increased exploration and expansion acti- vities taking place in the Erongo region. “About four new uranium mines in the Erongo region are expected to become operational by 2014,” adds Tawii. Meanwhile, Frost & Sullivan reveals that Rio Tinto has invested about $285- million in the expansion of the Rössing Uranium Reserve Development project and the construction of a heap-leach processing facility. Further, China Guandong Nuclear Power Corporation subsidiary Taurus Minerals’ Husab uranium mine expansion project, which Frost & Sullivan says is worth about $1.6-billion, is the highest- value project in Namibia’s uranium mining industry, accounting for 32% of total capital expenditure (capex) invested in the country. Multinational mining business Areva’s Trekkopje uranium mine, which is expected to start production by 2013, accounts for 19% of the total capex invested in uranium projects in Namibia. Other companies undertaking expansion projects in Namibia’s mining industry include Australian international uranium miner Marencia Energy’s uranium project, uranium exploration company Deep Yellow and uranium development company Bannerman Resources, among others, whose projects, have a combined value of $4.2-billion. “Buoyed by the existence of significant uranium deposits in the country, increasing capital investment projects and new development and growth in international demand for nuclear energy, the Namibian uranium mining sector is forecast to significantly contribute to Namibia’s economy from 2015,” explains Tawii. She says capex is predominantly aimed at expanding production capacity, improving processing facilities and adapting operations to comply with stricter environmental and safety regulations.

### Mali

#### **Mining key to Mali economy**

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Profile Gold is the mineral most popularly mined in Mali, comprising 95% of the country’s mineral sector. Mali is the third-largest gold producer in Africa. The minerals that are undeveloped include bauxite, chromium, copper, diamond and iron ore. Mining Industry Most of Mali’s mineral deposits are located in the east and west of the country: Diamond: the Kenieba area, close to the Senegalese border, has seen the recovery of several large gem quality diamonds. Gold: in March 2011, the Government of Mali (Government) stated that it expected its 2011 gold production to reach approximately 50 tonnes. Substantial gold mines include Morila and Yatela. Exploration activities are currently occurring in the south of the country. Bauxite: Bauxite mining is expected to increase in coming years, with support from the Government and large deposits being found.

### Guinea

#### **Mining key to Guinea economy**

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Guinea Profile Mineral reserves of iron ore, bauxite, gold and diamonds. One of the world’s largest bauxite producers. Internationally competitive in rough diamond production. Majority of foreign direct investment is in mining. MINING INDUSTRy Known minerals include bauxite/alumina (the Boke Region in north-western Guinea has significant reserves of up to half the world’s bauxite), gold (north-eastern Guinea) and iron ore.

### Egypt

#### Egypt has a massive diversity of resources for mining—aff crushes export potential

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Egypt Profile [has] substantial mineral resources, including iron ore, coal, phosphates and tantalite. [and is a] commercial producer of gold and has more than 40 mineral ores. Mining Industry Gold is found in the Eastern Desert. There are more than 90 gold mines located in this desert. Significant exploitation licence recently granted for the Sukara Hill gold mine. Iron residues are found in four main sites in al- Bahareya Oasis. They are currently used in feeding the Iron and Steel Plant in Helwan. Iron residues are also found in the middle sector of the Eastern Desert and east of Aswan regions. Its reserves reach approximately 40 million tonnes. The raw iron is used to produce cast iron. In Egypt, phosphate is considered one of the major metallurgical residues. Large quantities of phosphate are found in the Red Sea Coast between the area of Safaga and Al Quseir and at West Sabaeya. Its economic importance is attributed to the fact that it is largely exported. Tantalite is found in Abu Dahhab region (considered one of the largest tantalite reserves in the world). Coal is mainly found in the Sinai region. Raw manganese is [are] found in a number of sites but only a few are economically invested. The most important site is Om Bagama in Sinai. The manganese raw residues are also found in Abu Zneima in Sinai. The manganese is used in producing steel, solid batteries, paints and chemical industries.

### Rwanda

#### Mining industry is key to Rwanda’s economy

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Profile The economy is continuing to diversify, and privatisation has been a focus of the Government of Rwanda (Government). The mining industry is developing with continuing updates to existing regulatory frameworks and an emphasis placed on improving the quantity of materials exported. Opportunities also exist for foreign investment in key infrastructure projects for services, transportation and the construction of a regional minerals processing hub. Mining Industry The Rwandan mining sector includes mineral extraction, processing, quarrying, production of construction materials and extraction and processing of semi-precious stones. The key minerals being mined and traded include cassiterite, wolfram and gold. Other minerals mined in Rwanda include ambrigonite, beryl and semi-precious stones such as tourmaline, topaz, corundum, chiastorite, amethyst, sapphires, opal, agate and flint. The mining regions of Rwanda include Mutara, Rwinkwavu, Kigali, Ruhengeri, Gisenyi, Butare and Cyangugu. Mining la ws and regulations Laws: Mining and Quarry Exploitation No. 37 /2008 of 11/08/2008. Ministerial Order No. 003/Minifom/2010 of 14/09/2010 provides the requirements for granting the licence for purchasing and selling mineral substances in Rwanda. Ministerial Order No. 004/Minifom/2010 of 14/09/2010 states the environment conservation requirements in mining and quarry extraction. Ministerial Order No. 005/Minifom of 14/09/2010 states the procedure for obtaining a licence, the conditions and the limits on mining and quarry extraction. Ministerial Order No. 006/Minifom of 14/09/2010 determines the taxes applicable to mines and quarries. Foreign investment There is an active drive by the Government to attract capital-intensive foreign investment in the mining sector. There are no sectors that are barred to foreign investors and no restrictions on the percentage of equity that can be held.

### Malawi

#### Malawi's labor force and resource potential are ripe now for massive growth--the aff crushes the policy paradigm needed. Uranium proves.

Masebo 2013 [Wilfred Masebo, M.A. in labour, policies and globalisation from the Berlin School of Economics and Law, head of programmes and research for the Teachers Union of Malawi, research and training coordinator at the Centre for Human Rights and Rehabilitation in Malawi., "Energy Resources and India's Security," Africa Portal, February 5, <http://www.africaportal.org/articles/2013/02/05/kayelekera-uranium-mine-and-economic-development-malawi>]

While many Malawians therefore hold experience as mineworkers, typically it was not gained in their own country (Mtika, 2007). The post-independence period in the 1960s did not lead to significant changes with the country continuing to encourage the recruitment of Malawian miners as a portion of their wages was repatriated by the South African government, providing a valuable source of income against which to leverage taxes (Chirwa, 1999). This relationships persisted until Malawian mineworkers were deported from South Africa in the 1980s due to fears that many were living with HIV (Chirwa, 1997). The retrenchment negatively impacted migrant-sending communities across Malawi, exacerbating high levels of unemployment. To address lack of employment and the resulting economic deprivation, in the 1990s Malawi began to venture into mineral exploration (Chirwa, 1999:13). But while recent indications show the country is endowed with significant mineral wealth (Government of Malawi, 2011: 38-46), it has not always developed these resources effectively. This paper focuses on the Kayelekera mining project to highlight a missed development opportunity for Malawi. The Kayelekera Uranium Mine Site In the early 1990s the Central Electricity Generating Board of Great Britain (CEGB) discovered high grade sandstone uranium deposits at the Kayelekera site in Malawi.

Masebo continues:

If Malawi has mineral deposits of global significance, there is a need for the national government to develop a policy framework to realize this potential source of wealth. Resources, such as uranium at Kayelekera, have the potential to bring positive economic development to Malawians, and help address problems of unemployment and external migration.

### Zambia

#### **Mining key to Zambia’s economy**

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

Profile Zambia is a stable and vibrant country that is a natural hub for the sub-continent’s diverse activities. Zambia has undergone vast infrastructure development over the years since the liberalisation of the economy. The arrival of foreign investors in the mining industry has seen the mining industry experience significant infrastructure investments, notable among them being the construction and commissioning of the Lumwana mine in the north-western province. Mining Industry Geologically Zambia is endowed with substantial mineral resources, which include copper, cobalt, nickel, lead, zinc, iron, manganese, gemstones and a number of industrial minerals. The major metal, which has been exploited for nearly a century, is copper, and it is the single largest contributor to the economy. Internationally, the country is recognised as a major producer of copper and cobalt and has, since the early 1960s, ranked amongst the highest copper and cobalt producers in the world. Significant quantities of selenium and silver, together with minor gold and platinum group elements are also produced as by products of copper mining. Resources found in the country include: Copper and cobalt: in excess of one billion tonnes of ore have been mined from the mines of the Copperbelt and conservative estimates suggest that further combined reserves exceed two billion tonnes. Iron: substantial resources of iron have been identified, occurring primarily as sedimentary ironstones in central and western Zambia. Nickel and platinum group elements: nickel occurrences are known in the Basement sequences east and south of Lusaka. Gold: more than 300 gold occurrences have been recorded but most are only prospects. Diamonds: alluvial diamonds have been reported throughout much of northern, north-eastern and western Zambia. Coal: Zambia possesses substantial coal resources and has been producing coal continuously since 1967.

## Oil

### Iraq

#### Oil extraction key to Iraqi economy

Al-Yaqout et al 2012 [Abdul Aziz Al-yaqoul, Regional Managing Partner at DLA Piper Middle East LLP, "Mining in Africa and the Middle East: A Legal Overview," DLA Piper, http://www.dlapiper.com/~/media/Files/Insights/Publications/2012/09/Mining%20in%20Africa%20and%20the%20Middle%20East%20A%20Legal%20Ove\_\_/Files/miningafricamiddleeast/FileAttachment/miningafricamiddleeast.pdf]

The Iraqi economy has long been dependent on oil exports to sustain the nation. The oil sector provides 90% of the revenue of the Government of Iraq (Government). Following the American invasion of Iraq in 2003, civil and political unrest is still prevalent in the country. American forces withdrew from Iraq at the end of 2011. The country’s next election is scheduled for 2014 but threats of a no-confidence vote may cause an earlier election. MINING INDUSTRy Presently, the Iraqi Oil Ministry is extending one- or two-year contracts to Exxon Mobil, Shell, Total and BP (all previous partners in the Iraq Petroleum Company) and smaller firms to service Iraq’s largest oil fields. Oil It is estimated that Iraq has 115 billion barrels of proven oil reserves, which have largely been untapped. The undiscovered oil reserves are considered to be the second largest globally. The proven oil reserves are found in 80 fields, and to date only 17 of these have been developed. Only 2,000 oil wells have been drilled. Of the proven reserves, approximately 75% are concentrated in several super-giant fields near the borders of Kuwait and Iran. An additional 20% of proven reserves are located in the northern part of the country near Kirkuk. The oil and gas reserves are considered to be easily extractable because it can be reached through shallow wells, making the cost of extraction amongst the lowest in the world. A barrel of Iraqi oil can be produced for less than US$1.50. Only Saudi Arabia has similar production costs. Before 2003, Iraqi production of oil was around 2.8 million barrels of oil per day. In 2008 the country was producing 2.4 million barrels per day and by June 2012 the country had reached 3.07 million barrels per day. Gas Iraq has 112 trillion cubic feet in proven natural gas reserves. Around 70% of these proven reserves are located in the southern part of Iraq. Gas production totalled 215 billion cubic feet in 1989 but in 2010 it was at only 46 billion cubic feet. Export Infrastructure Underdeveloped infrastructure and security issues mean that although Iraq has the third-largest oil reserves, it is only 11th in terms of oil production. Presently the country’s 4,350 mile-long pipeline infrastructure links to Saudi Arabia, Turkey and Syria and can handle about 2.5 million barrels of oil per day. Other Minerals Other mineral resources including lead, zinc, iron, sulphur, phosphate, copper and chromium are also found in Kurdistan. FOREIGN INvESTMENT Total foreign investment and business activity in Iraq has increased to US$70 billion, up from US$42.7 billion last year. International investors are seeking to enter the oil and gas market through the Ministry of Oil’s bid rounds. The next one is scheduled for January 2013. Incentives for foreign investors include the right to repatriate investment and profits, the right to employ foreign workers when needed and a three-year exemption from import fees for required equipment. The Government also guarantees that investments will not be nationalised or confiscated.

### Latin America

#### Increasing oil production now is key--demand is spiking

Tissot 2012 [Roger Tissot, Independent energy analyst, policy member at the Inter-American Dialogue, "Latin America’s Energy Future," Inter-American Dialogue, August, http://www.thedialogue.org/PublicationFiles/Tissotpaperweb.pdf]

Oil is transformed into a number of products, the most important of which are liquid petroleum gas (LPG), gasoline, kerosene, diesel, fuel oil, and residues (petroleum coke). The following graphs show how significantly Latin America’s gasoline and diesel deficit has increased in the last forty years (although the region shows a large surplus of low-value fuel oil, traditionally used for power generation). In recent years, natural gas has replaced fuel oil for power generation. See Figure 8. The surge in demand for gasoline and diesel comes in tandem with the rapid expansion of Latin America’s vehicle fleet. There are approximately 65 million motor vehicles in Latin America, concentrated in three markets: Brazil (21 million), Mexico (20 million), and Argentina (9 million). With a population near 400 million and a large unsatisfied demand for vehicles, Latin America has become the world’s fastest-growing vehicle market. In five years the fleet has grown 50 percent, to 169 cars per 1,000 habitants, from 113 cars per 1000 habitants. The booming demand for vehicles is expected to continue in the near future. See Figure 9. After a decade of fast economic growth, declining unemployment, and improved income distribution, Latin America’s large, emerging middle class can afford cars for the first time. GDP per capita, now approximately US$7,000, is expected to exceed US$10,000 in the next three years. At those levels, vehicle demand tends to grow exponentially. With currencies appreciating, the cost of imported vehicles is declining. At the same time, relatively low inflation has prompted banks to offer attractive vehicle-purchase options. Nearly 80 percent of the region’s population lives in urban centers, but infrastructure deficits leave most Latin American countries without viable mass transportation systems, such as trains and subways, making motor vehicles the preferred mode of travel. At the same time vehicle demand is surging, production of diesel and gasoline is stagnating. The resulting need for more oil imports poses a challenge to the region’s balance of payments. Latin America pays high prices to import high-value-added products, which are then sold at subsidized prices in the domestic market. Energy subsidies cost Ecuador approximately US$5 billion per year, Mexico US$10 billion per year, and Venezuela up to US$20 billion per year, according to the IEA.4 See Figure 10.

### Libya

#### Oil revenues key to Libyan stability

UPI 2012 [1/25/12 “Libya boosts oil output but dangers lurk”, http://www.upi.com/Business\_News/Energy-Resources/2012/01/25/Libya-boosts-oil-output-but-dangers-lurk/UPI-28071327525246/]

"Security is key to production increases but oil revenue is key to achieving stability. "While the situation in the oil fields seems to be fairly secure, in the cities it is more uncertain. Many former rebel fighters are still armed and the process of forming a national security force is moving forward slowly. "The government is in desperate need of funds to stabilize the country and has, in its oil industry, a major potential source," the analysis noted. "However, the country also has a major unemployment problem, with almost a quarter of the population out of work. "Political tensions in Libya will remain until oil revenues increase, providing the funds for infrastructure projects necessary to provide employment." Libya has oil reserves of 46.4 billion barrels, the largest in Africa. The rebel alliance that drove Gadhafi from power in an eight-month revolution in 2011 has splintered and several militias, based on particular clans and regions, remain heavily armed. They have repeatedly clashed with each other and the new interim government, the Western-backed National Transitional Council. It was plunged into crisis this week when mass protests broke out in Benghazi over the close ties some NTC officials had with Gadhafi's regime. Gadhafi loyalists have reappeared recently and fought gun battles with NTC forces. The marauding militias, vying for influence and power in the post-Gadhafi era, have become the biggest threat to security and stability as the NTC struggles to exert its authority. The militias are scaring foreign oil companies into delaying the return of their technicians who are vital to keeping the oil industry functioning. "We're now between two bitter options," NTC Chairman Mustafa Abdel Jalil declared in Benghazi recently. "We deal with these violations strictly … or we split and there will be a civil war." The combination of Libya's location on the southern shore of the Mediterranean and its "sweet" oil -- light and low in sulfur content, which makes it easy to process -- has made it attractive to consumers, particularly refineries in carbon-conscious Europe. And with Europe facing the loss of around 500,000 barrels of Iranian oil a day following the European Union's decision Monday to impose an oil embargo on Iran over its contentious nuclear program, Libyan oil is all the more attractive to EU states. "In the light of Iran's threatening stance over the Strait of Hormuz … the relative strategic value of Libyan crude is increased, given its location outside the gulf," Oxford Analytica noted. Tehran has threatened to close the narrow, 112-mile strait at the southern end of the gulf through which one-fifth of the world's oil supply passes daily, if the United States and the EU enforces the oil embargo. U.S. President Barack Obama approved a campaign to choke off Iran's oil exports, which supplies some 80 percent of its state revenues, on Dec. 31. When Gadhafi was toppled, oil production had fallen from the pre-conflict level of 1.6 million barrels per day to less than 100,000 bpd. Since then the Libyans have built that back to 1 million bpd, months earlier than expected.

### Brazil

#### Increasing oil production is key to secure economic growth for Brazil--plan crushes potential for foreign investment

Pearson 2012 [Samantha Pearson, "Oil & Gas: BG has five big reasons why country is key to its future ," Financial Times, 5/16, http://www.ft.com/cms/s/0/4e45e1aa-9918-11e1-948a-00144feabdc0.html#axzz2z6IFKwhK]

When asked what he most loves about Brazil, the answer from Nelson Silva, head of BG’s operations in the country, is very simple: BM-S-9, BM-S-10, BM-S-11, BM-S-50, BM-S-52. The series of codes, known as the “big five”, are the names of some of the most coveted oil and gas exploration blocks in Brazil’s Santos basin. Buried deep beneath the ocean floor off the south-east coast, these reserves are set to produce nearly as much as the entire UK North Sea within a decade, helping catapult Brazil into the ranks of the world’s top five oil producers. For Mr Silva, they are also crucial to the company’s future. The UK-based oil and gas group is the only foreign company to hold stakes in all five blocks – an offshore portfolio that promises to turn BG into the second biggest oil and gas group in Brazil after state-run Petrobras, but also one that will require potentially crippling levels of investment. The company has indicated it would need to invest at least $42bn in developing its 6bn barrels of oil reserves, more than the entire gross domestic product of neighbouring Paraguay. Some analysts fear BG has become overexposed to the Brazilian market, with assets in the country worth about $45bn. BG’s position is largely the result of it being one of the first foreign groups to take an interest in the country, entering in 1994 to help build a $2bn gas pipeline to Bolivia. At that time, the country was an economic basket case in the eyes of the world, having changed its currency five times in 10 years and having suffered inflation rates of more than 2,000 per cent. But following almost two decades of economic stability and the discovery of the country’s vast so-called “pre-salt” oil in 2007, Brazil has now attracted at least 36 foreign companies to its upstream market, according to Ernst & Young. Mr Silva says: “In 1994 BG made a strategic decision to invest in the country and then, after the discovery of the Lula field, Brazil became even more attractive,” .

### 1NC Russia Generic

#### Russian oil is key to its economic stability

Pifer 12 [(Steven, Senior Fellow at the Brookings Institution's Center on the United States and Europe as well as the Director of Brookings' Arms Control Initiative) “The Future Course of the U.S.-Russia Relationship” Brookings Institute March 21] AT

Third, Mr. Putin faces tough issues at home, both economically and politically. The Russian economy and government revenues remain overly dependent on exports of oil and natural gas. The Russian state budget remains pegged to the price of oil. While Mr. Medvedev called for economic modernization and diversification, there are few signs of progress or of a realistic plan to achieve those aims. Corruption remains rampant. The lack of confidence in the economy is reflected in the fact that Russia experienced capital outflow of $84 billion last year. And Mr. Putin made a striking number of electoral promises, including higher salaries, rising pensions and greater defense spending, that will need to be funded. While sustained high oil prices could allow him to avoid tough calls, economic questions could face him with a major challenge.

#### Russian economic instability causes war over Ukraine

Petrov 3/6 [(Nikolay, professor of political science at the Higher School of Economics in Moscow) “Ukraine Crimea: Russia's economic fears” BBC 2014] AT

From that perspective, Russia's actions do not look very rational and foreign commentators have explained them in terms of President Vladimir Putin's anger and feelings of humiliation after the overthrow of Ukrainian President Viktor Yanukovych. But I would focus on domestic political considerations as a driving force. The famous Bill Clinton presidential campaign slogan, "It's the economy, stupid", comes to mind. The Russian government's expectations of economic recovery by the end of 2013 went wrong. According to different experts, Russia's economy is already in de facto recession with a drop in investment, a rapid decline in consumer demand and a real-terms decrease in incomes. The economy has already shrunk for two consecutive quarters. The rouble is weakening, causing expectations of growth in inflation. Russia's ministry for economic development has revised downwards its short-term forecasts on an almost monthly basis. According to the most recent forecast by the independent Gaidar Institute for Economic Policy last month, the Russian economy will not grow faster than 2% per year until 2016, even with a best-case scenario of growing quasi-state investment, an improving investment climate and small business growth. Now with all the events developing in Crimea, even this scenario looks too optimistic. On 3 March, dubbed Black Monday, Russia's RTS stock market index plummeted 12% and the rouble fell 1.9% against the dollar in spite of massive intervention by Russia's Central Bank. The stock market has since recovered its losses. The Crimean parliament's decision to join Russia has only added to the economic instability. The rouble had already fallen by 10% in two months, which due to the high dependence of the Russian economy on imported goods and commodities almost automatically translates into a fall in real incomes. A lengthy economic stagnation, perhaps even a recession, caused by domestic problems rather than by the world market might not be so devastating if the government was not already facing accusations of a decline in legitimacy since the 2011-2012 political protests. It should be taken very seriously because it means that the political-economic base of Vladimir Putin's 2004-2013 administration is coming to an end. Turning the screw The regime had to do something about these: either by improving the economy at the expense of weakening its control over it, or by focusing on the image of an external enemy and consolidating the nation around the leader. Russia appears to have made its choice, passing a very important fork in the road, by choosing to tighten the screw and switching to a different model of relations between state and society rather than liberalising the economy and improving the investment climate. This is by no means an immediate reaction. The events that culminated in the past week in Crimea had been developing for a while. Looking back, several developments over recent months fit this scenario. There was the merger of Russia's two top courts - the merger of the Supreme Arbitration Court with the Supreme Court - along with tougher controls on the judiciary and the increasingly powerful role of Mr Putin's inner circle at the Kremlin, known as the Siloviki. The final stage can be traced back to the start of last autumn, first with the Kremlin's appointment of Mr Putin's former deputy chief of staff Vladislav Surkov as his personal aide; then the very serious reshuffle at Russia's Ria Novosti news agency; and finally the intense pressure placed on two largely independent media outlets, Dozhd TV and Echo Moskvy Radio. Facing the prospect of recession, Mr Putin now appears to be returning to the days of 1999-2000, when "a small victorious war" in Chechnya led to a major rise in his tremendous approval ratings. Paradox of sanctions Attacking Ukraine may promote mobilisation and the consolidation of the society around the leader, at least in the short term, with a tightening of the screws on his opponents and any potentially disloyal members of the elite. The paradox is that sanctions placed on the elite could serve Mr Putin's goal of closing Russia and creating a siege mentality. Serious economic sanctions, especially from Europe, seem unlikely for now. But Russia has already paid a high price for its aggression in terms of a fall in the stock market and a further decline in investment due to both the increased cost of borrowing and the further alienation of investors. However, it doesn't look like this changes his calculations of costs and benefits. It became evident last year that Russia's leadership was not put off by the high cost of keeping Ukraine on side - with an eagerness to pay almost $15bn (£9bn) a year in discounts on gas sales. However, if more serious European sanctions were to be imposed such as an embargo on Russia's gas supply, by replacing it as some experts suggest with Norwegian gas and liquefied natural gas, then Russia would stand to lose some $100bn a year and face economic collapse.

#### Ukraine war causes extinction

International News 3/17 [(News agency, cites Secretary of State John Kerry; Rebecca E. Johnson, executive director of the Acronym Institute for Disarmament and Diplomacy; Ira Helfand, co-president of International Physicians for the Prevention of Nuclear War; Tilman A. Ruff, co-chair, International Steering Group and Australian Board member of the International Campaign to Abolish Nuclear Weapons) “US-Russia standoff over Ukraine may trigger nuclear attack” March 17, 2014] AT

Secretary of State John Kerry told US legislators early this week that if the dispute results in punitive sanctions against Russia, things could “get ugly fast” and go “in multiple directions. ”Perhaps one such direction could lead to a nuclear impasse between the two big powers. According to a state agency news report from Moscow, Russia has threatened to stop honouring its arms treaty commitments, and more importantly, to block U.S. military inspections of nuclear weapons, if Washington decides to suspend military cooperation with Moscow. These mostly bilateral treaties between the United States and Russia include the 1994 Strategic Arms Reduction Treaty (START), the 2010 new START, the 1987 Intermediate-Range Nuclear Forces (INF) treaty and the 1970 international Nuclear Non-Proliferation Treaty (NPT). A nuclear tug-of-war between the two big powers is tinged in irony because post-Soviet Ukraine undertook one of the world’s most successful nuclear disarmament programmes when it agreed to destroy all its weapons of mass destruction (WMDs). Dr. Rebecca E. Johnson, executive director of the Acronym Institute for Disarmament and Diplomacy, told IPS, “Clearly the situation between Ukraine and Russia is deeply worrying. “Without going into the politics of the situation on the ground, as I don’t have the kind of regional expertise for that, this is not a place for issuing nuclear threats or scoring nuclear points,” she said. “I’ve been disgusted to see some British and French representatives try to use Ukraine’s crisis to justify retaining nuclear weapons in perpetuity.” Russia is not directly threatening to attack Ukraine with nuclear weapons, and no one believes it would be useful for the United States and countries of the North Atlantic Treaty Organisation (NATO) to threaten Russia with a nuclear attack, no matter what they do, said Johnson. Ukraine, which was once armed with the third largest nuclear arsenal after the United States and Russia, and possessed more nukes than France, Britain and China, dismantled and shipped its weapons to Russia for destruction beginning in 1994. Dr. Ira Helfand, co-president of International Physicians for the Prevention of Nuclear War (IPPNW), said Ukraine is commendable in being one of the few states to have given up its nuclear weapons peacefully, and the people of Ukraine should not have to fear nuclear weapons ravaging their country. “Any war involves a terrible and lasting human toll, risks spreading and harming people’s health in the region and beyond,” he warned. In a statement released last week, IPPNW said it underscores the absolute imperative to avoid the possibility of use of nuclear weapons. “This danger exists with any armed conflict involving nuclear armed states or alliances, which could escalate in uncontrollable, unintended and unforeseeable ways,” it warned. Dr Tilman A. Ruff, co-chair, International Steering Group and Australian Board member of the International Campaign to Abolish Nuclear Weapons, told IPS the current agreements (e.g. START, New START and INF) are probably most important in that they demonstrate that verified reductions and elimination of whole classes of nuclear weapons are feasible, and hopefully reduce the risk of nuclear war between Russia and the United States. However, continuing massive nuclear arsenals on both sides; the retention of almost 1,800 nuclear weapons on hair-trigger alert missiles, ready to be launched within minutes; the aggressive eastward expansion of NATO, contrary to what Russian leaders were promised; and the rapid escalation of tension over recent events in Ukraine demonstrate the Cold War has not been firmly laid to rest. “Any confrontation between nuclear-armed states runs the risk of escalating to the use of nuclear weapons, whether by inadvertence, accident, or bad decision-making,” said Dr Ruff, who is also an associate professor at the Nossal Institute for Global Health, School of Population and Global Health, University of Melbourne. He said currently all the nuclear-armed states are massively investing in keeping and modernising their nuclear arsenals, and show no serious commitment to disarm, as they are legally bound to do. As long as nuclear weapons exist and are deployed, and policies countenance their possible use, the danger they will be used is real and present. “The dangerous and unstable situation in Ukraine highlights this starkly, and should dispel any notion that nuclear danger ended 20 years ago with apparent end of the Cold War,” he said. Dr Johnson told IPS Russian and US nuclear weapons in the region are demonstrably not contributing to deterrence. “If anything, their presence complicates the current dangers, with the attendant risks of crisis instability and potential military or nuclear escalation or miscalculations, though I’d hope no one would be mad enough to actually use them,” she said.

### 2NC Russia Link

#### Russian economy good now – funding from oil sector key to maintain growth

Oprita 12 ([Antonia Oprita](http://www.cnbc.com/id/15837548/cid/130727) is a Deputy News Editor for CNBC.com. 6/21/12. http://www.cnbc.com/id/47870418)hs

As participants gather in the Russian city of St. Petersburg for the St. Petersburg International Economic Forum, their debates will focus on minimizing the effects of the debt crisis that is still raging through the euro zone. However, Russia itself is more sheltered from the crisis this time than it was during the global downturn in 2008 and 2009. Its prospects are brighter than those of many other economies, despite fears that the return of Vladimir Putin to the presidency will slow the pace of structural reforms and falling oil prices could hurt the country's budget. “I think currently Russia is in a very good situation," Anton Struchenevsky, senior economist at Troika Dialog in Moscow, told CNBC.com. "The exchange rate policy is more flexible than in 2008/2009, and it helps Russia to absorb external shocks." The ruble fell 12 percent against the dollar in May, the biggest drop since January 2009, but in June it recouped most of the losses and is nearly flat year-to-date. "Having lurched given the crisis in the euro zone, [the ruble] has pretty much recovered all its losses," Liam Halligan, chief economist at Prosperity Capital RF in Moscow, told CNBC.com. "The Russian state has a very strong balance sheet," Halligan added, pointing out that Russia "hasn't printed any money." Half of the revenues to Russia's budget come from the oil and gas sector, and taxation in that area depends heavily on the oil price on international markets. When prices decline, the Russian budget gets less revenue in dollar terms. But the budget is denominated in rubles, so a decline in the national currency helps to offset falls in oil prices to a certain degree. Oil prices fell to around $83 a barrel from around $110 in February because of worries that the global economy would slow down as the euro zone debt crisis spread. "Due to the devaluation of the ruble, the fall in oil prices was somewhat compensated," Struchenevsky said. Growth Forecast Upgraded The World Bank has upgraded slightly its economic growth estimate for Russia, forecasting growth of 3.8 percent in 2012 and 4.2 percent in 2013 in its June edition of the Global Economic Prospects. In January, the estimates were 3.5 percent for this year and 3.9 percent for next year. Russia's macroeconomic data would make many euro zone politicians go green with envy. The country's economy grew by 4.3 percent last year, its sovereign debt is around 10 percent of gross domestic product, its budget had a deficit of 0.9 percent in the first three months of this year and its current account had a surplus last year. "Actually, Russia is crediting the rest of the world," said Struchenevsky. One of the biggest risks for Russia's economy is the fact that it has become too dependent on high oil prices, said Neil Shearing, chief emerging markets economist at Capital Economics.

### Russia Oil---Accidents DA

#### Russia’s deteriorating infrastructure risks accidental war – oil profits are key to modernize nuclear infrastructure

Hacket 1 [(James, contributing writer to The Washington Times) “Accident Launch Wake-Up Call” WASHINGTON TIMES 6-20-2001] AT

Twice in the past month accidents involving Russian missiles and missile warning systems have served to remind us that the possibility of a nuclear accident still exists. In the most recent incident a surface-to-air missile complex in the Moscow region's Ramenskoye district exploded on June 8, destroying three S-300 missile launchers and 12 missiles. Eyewitnesses said they saw what appeared to be a missile launch following the explosion and Moscow television reported two missiles were launched. But a Russian Air Force spokesman said there were no launches. Whether a missile was launched or not, one or more might have been. A short-circuit in a missile engine is believed to have caused the explosion and resulting fire. Windows were broken in a nearby town, where witnesses said they counted six loud explosions and saw a mushroom cloud rising over the forest. But it was not a nuclear explosion - these missiles normally are not nuclear-armed. The S-300 is Russia's counterpart to America's Patriot, a solid-fuel missile designed to intercept aircraft, cruise missiles, and short-range ballistic missiles. It is in widespread service in Russia, and Moscow is eagerly trying to sell it abroad. Less than a month earlier, on May 10, a major fire broke out at a mission control center of Russia's military space forces near Kurilovo, some 60 miles southwest of Moscow, causing a loss of contact with four military satellites. The fire, reportedly caused by a short-circuit in a power cable, broke out at 2:30 in the morning and was so severe that the three-story command center was still burning at noon. The function of the military satellites that were out of service was not reported. Whether missile early warning satellites or military communications satellites, they could play an important role in Russia's ability to maintain control of its nuclear missiles. Remember 1995, when a sounding rocket launched from Norway caused Russian nuclear missile forces to go on alert and President Boris Yeltsin's nuclear briefcase was activated, ready to launch a missile attack on the U.S? Even a brief, unexpected interruption in the functioning of Moscow's early warning satellites could be dangerous. These two recent incidents are only the latest in a string of accidents that reflect Russia's declining infrastructure, diminishing military effectiveness, and lack of funds. Last August, the explosion and sinking of the Kursk nuclear submarine was followed by a major fire in the Ostankino TV tower that knocked out Moscow television. With infrastructure that has not been modernized for 20 to 30 years, more disasters are waiting to happen. The Russian economy has been buoyed this year by the high price of oil on the world market, but the next downturn in price could produce an acceleration of Russia's infrastructure decline. Last year an article in the paper Komsomolskaya Pravda claimed that the unnatural Soviet economy had forced technological expansion beyond the country's means. Now, with few resources to modernize the aging infrastructure the chance of a nuclear disaster or crisis involving Russia's huge stockpile of nuclear weapons will increase. All of Russia's intercontinental and sea-launched ballistic missiles, except for the 26 new SS-27s produced over the past three years, will be obsolete by 2010 and should be retired. Since Russia is not an enemy, there has been a tendency to forget its nuclear-armed missiles. The main reason for a national missile defense is to prevent missile-armed countries from using their weapons to blackmail or intimidate, and to stop any missile that a rogue state may launch. But another important reason is to stop an accidental or unauthorized launch from any country. The main concern in this regard has to be the 736 intercontinental ballistic missiles and hundreds of submarine-launched missiles still operational in Russia and carrying some 6,000 aging nuclear warheads. The decline of Russia's command and control network, with equipment that tends to have "short-circuits," is\_ sending us a warning.

#### Accidental launch causes nuclear war

Wickersham 9 [“Confronting Nuclear War: The Role of Education, Religion, and the Community”. Professor of Peace Studies at Michigan State University, Wickersham is part of the eight-member Missouri University Nuclear Disarmament Education Team, which he helped found in 2009. Their mission is to enlighten Missouri and the rest of the world about the need to abolish nuclear war weapons from the planet through discussions and presentations to interested groups.] AT

Currently, there are over 23,000 nuclear weapons in the world—a total of over 100,000 Hiroshima bombs or 7000 megatons of TNT. At its peak in 1964, the U.S. alone had the equivalent of 17,000 megatons. For perspective, all of the bombs dropped during WWII totaled only 3 megatons, which is about ten average-sized strategic nuclear weapons. Combined, the U.S. and Russia possess over 97 percent of these weapons. Of which, about 3,500 remain on high alert status and are ready to be launched in minutes. In a time of crisis or perceived attack, the Russian and U.S. presidents have three and eight minutes, respectively, to make a decision to order an attack against each other. Thus, a single miscalculation or computer error could lead to nuclear war (see table in appendix). Political leaders have taken elaborate steps to comfort these fears. However, the mere existence of these weapons maintains the possibility of an unpredicted sequence of events leading to its use.

### India Coal

#### Coal mining is a key subsistence income in India.

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

It is not my intention to match rhetoric with rheto- ric, but to make the point that mineral resource use by communities ^ often seen by statist philo- sophies as unlawful and conflictual ^ is a significant way of life for many in mineral-rich tracts. To give an example, Irecall a roadside on the way to Hazaribagh town in Jharkhand, India, on a hazy winter morning when Istopped to take a good look at the ant-like processions of ragtag men pushing bicycles ^ the cycle wallah s ^ laden with sacks of coal. In the area, large, mechanized, open cut projects have aggressively come up in the last two decades often with foreign loans and assistance. On its east lies Raniganj^Jharia, a much older coal tract with mostly underground mines and associated ills such as land dereliction, subsidence and coal fires. Hazaribagh used to be covered in tropical dry deciduous jungles inter- spersed with valleys, and was the home of a num- ber of indigenous groups. One of them was Birhors ^ literally meaning ‘forest peoples’ ^skilful hunters^gatherers with an intimate knowledge of the forest resources. Ihad met Nirjal Birhor back in the early 1980s when he was still able to forage food out of the dwindling forests. On the roadside, he was almost unrecognizable among the group of cyclewallah s who had stopped briefly to catch breath after a rather steep rise. Nirjal is one of the 2,000 cyclewallah s in eastern Indian coal tracts, covering up to 20^22 km in a day pushing up to 250 kg of coal on a cycle, taking the coal to sell from door to door, to domestic consu- mers, to small industries such as brick kilns and to local tea or food stalls. The coal he carries is either scavenged from existing open cut or under- ground mines, or old abandoned mines that were not filled up by sand by the state-owned coal mining company as instructed by environmental regulations. Nirjal also works in small village dug-mines on individually owned land, or in rat holes sunk in the mining company’s leasehold land. All these are illegal as per various state rules, but for him there were not many opportunities but to leave his ancestral occupation as the forests diminished, and to take up what he describes as ‘coal collection’. This subsistence ‘collection’ earns Nirjal and his family B US$1 a day, but incremen- tally forms a tiny part of an underground coal mining economy that might well amount to ten per cent or more of India’s annual coal production of 330 million tonnes from the state-owned coal mines (Lahiri-Dutt and Williams, 2005). Nirjal’s micro-world of survival is of course entirely illegal to a country that puts coal mining as one of the main planks of its nation-building agenda, and is a potential source of conflict to the macro-re- source experts looking for a global theory.